

Policies of Exclusion For Czechs and Slovaks

Democracy Seen at Risk In Bratislava

By Stephen Kinzer
New York Times Service

BRATISLAVA, Slovakia — When Chancellor Helmut Kohl of Germany delivered a speech about Europe's future this month, he called for enlargement of the European Union and suggested three candidates: Hungary, Poland and the Czech Republic.

Mr. Kohl's list was notable for a conspicuous omission.

Slovakia, which he once cited as a prime candidate, is no longer on his list.

Recent events in Slovakia have led Western governments to complain with unusual force that this country is failing to live up to European standards of democracy. Prime Minister Vladimir Meciar and his allies have responded by accusing foreign governments of seeking to threaten and intimidate them.

"I'm not sure they're aware of the fact that they're slowly being pushed aside," said Frantisek Sebej, who was chairman of the foreign relations committee in the Czechoslovak Parliament from 1990 until the country split apart at the end of 1992, and who now belongs to a small opposition party in Slovakia.

"We are becoming an authoritarian country run by people with no ideology, just an insatiable hunger for power," he said. "The word fascism doesn't fit, but this is becoming an intolerant, highly centralized nationalist state."

Western diplomats say Mr. Meciar's government is seeking to consolidate its power with undemocratic tactics.

The civil service and the government-run television system, for example, have been purged of people suspected of being insufficiently loyal. Judges who are considered unreliable have found their budgets cut. Members of Parliament from the opposition Democratic Union are being threatened with expulsion on the ground that their election petitions included invalid signatures.

Political loyalty has also become a factor in handing out federal subsidies to local governments. In the capital, Bratislava, many street lights are dark at night. Local officials say the city cannot pay its electric bills because Mr. Meciar is withholding funds to punish voters for choosing an opposition mayor.

Several draft laws now circulating among members of Parliament, all of which would centralize more power in Mr. Meciar's hands, have also caused concern in the West.

One proposal would reduce autonomy at universities, another would make it more difficult for the Constitutional Court to declare laws unconstitutional, a third would restrict the activities of private organizations and a fourth would punish citizens who make negative statements about the country that they cannot prove to be true.

Two opposition figures, Peter Toth, a journalist, and Frantisek Moklosko,

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Prague Law Limits Rights Of Gypsies

By Jane Perlez
New York Times Service

PRAGUE — Nearly three years ago, Veronika Slobodnikova suddenly felt like a foreigner in her own country. A well-thumbed, red Czechoslovak identity card, with its faded black-and-white photo, no longer gave her the rights accorded to citizens because the country split in two at the start of 1993.

"I can't go to a doctor and get it paid for by the state like I used to," said Mrs. Slobodnikova, who was born in Slovakia but has lived in Prague since childhood. "I can't apply for a job. They ask you in the first meeting at the job center for your citizenship papers."

Theoretically, she could apply for Czech citizenship. But Mrs. Slobodnikova has found that becoming a citizen all over again is not so easy. A 1993 law says she must renounce her Slovak citizenship and meet stiff new requirements for Czech citizenship that some human rights advocates assert are the most discriminatory in Europe since World War II.

The Czech Republic is viewed in the West as a bastion of tolerance and lofty ideals, a country that has most easily made the transition from communism to democratic values.

But European and U.S. lawmakers have criticized the Czech government for a law that they say appears to have been written with the idea of depriving citizenship to Gypsies, the largest ethnic minority in the Czech Republic.

A Czech human rights group, the Tolerance Foundation, has estimated that at least 20,000 Gypsies, about a tenth of the country's Gypsy population, have been excluded from Czech citizenship since 1993.

In a letter to President Vaclav Havel, the Organization for Security and Cooperation in Europe described the citizenship law as "instituting what may be the largest denaturalization in Europe since the World War II period."

The law has meant that many Gypsies cannot take part in the country's privatization program or reclaim property confiscated by the Communists. Those without citizenship are barred from voting or holding public office and are routinely denied social benefits in this country of 10.5 million people.

Social workers say these restrictions further penalize a largely impoverished group that suffers daily from being refused service at bars and restaurants and prevented from renting apartments.

The discriminatory practices here are particularly serious, says the United Nations High Commissioner for Refugees, because they set a precedent for other nations contemplating stringent citizenship requirements as a way of excluding people for ethnic or religious reasons.

"Citizenship legislation based on ethnicity is the worst thing happening in Europe and it's being done in the cloak of democracy because international law is

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A group of American soldiers ankle-deep in mud conferring on movements along the Sava River in Bosnia Wednesday.

Phil Gramm's Uphill Fight to Stay Even The Tenacious Texan Chases Dole and the Nomination

By Sam Howe Verhovek
New York Times Service

FLAGSTAFF, Arizona — There is a kind of offbeat charm in the roguish self-deprecation of William Philip Gramm, the Texas senator who wants to be the next president of the United States.

Campaigning in Phoenix recently, Mr. Gramm was introduced to 24-year-old Leah Clark, a dazzling little towhead, by her proud parents. "I had a girlfriend once named Leah," drawled Mr. Gramm, tickling the toddler under the chin. "She dumped me!"

Phil Gramm's style may or may not captivate the voters. But for the most part, Mr. Gramm, who a colleague once said was "charismatically challenged" and whom Texas Monthly magazine described as a man with "the round, wizened face of a snapping turtle," never planned to win the presidency with a charm offensive anyway.

Instead, he has tried to stomp his way to the Republican nomination with the twin bludgeons of an unbendingly conservative economic message and an enormous campaign war chest.

Now, though, with the 53-year-old senator having clearly failed to build any air of

inevitability about his own nomination, his campaign emphasizes a less ambitious proposition: that there is nothing inevitable about the nomination of the front-runner, Bob Dole. "We're where we want to be," he insisted in an interview. "I said at the outset of the year that the point was to establish Phil Gramm as the viable conservative alternative to Bob Dole. We have achieved that."

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But several state and national polls suggest that at least three other Republican challengers can lay claim to the mantle of Mr. Dole's chief rival or, perhaps more accurately, that none of them can. Mr. Gramm is stuck in a crowd.

So, rather than dueling with Mr. Dole head-on, the Texas senator rattles off the reasons that he should be taken more seriously than the rest:

• Lamar Alexander, former governor of

Tennessee: "No money, no message."

• Steve Forbes, the multimillionaire: "People are not going to vote for Forbes; he's not plausible."

• Pat Buchanan, the political commentator: "He's a protest vote against Dole. If I convince people that I have a chance of beating Dole, they'll desert Buchanan in droves."

The essence of Mr. Gramm's strategy remains unchanged: finish close enough to Mr. Dole in the Iowa caucuses and the New Hampshire primary to establish himself as the prime alternative, then overpower Mr. Dole in a string of more conservative Southern and Western state primaries that follow.

Mr. Gramm dismisses his standing well below Mr. Dole, insisting that they are largely based on name recognition and that a truer reflection of the race is his victories in straw polls of party activists, events on which he has lavished far more money than any other candidate but which he says demonstrate the grass-roots strength and organization of his campaign.

Still, by this point in the campaign, Mr. Gramm had clearly hoped to be spending most of his time building the case against

See GRAMM, Page 4

Serbs Accused Of Trying to Wreck Peace Over Sarajevo

Request to Postpone City's Reunification Denounced as a Ploy

Compiled by Our Staff From Dispatches

WASHINGTON — The foreign minister of the Muslim-led Bosnian government accused the Bosnian Serbs on Wednesday of trying to scuttle the Balkan peace plan through delayed reunification of Sarajevo under Muslim rule.

The Serbian leadership "sees the issue of Sarajevo as a way to break the back of the peace agreement," Foreign Minister Muhamed Sacirbey said at his embassy here.

He said Bosnian Serbian leaders were hoping to derail the U.S.-brokered pact that formally ended the war on Dec. 14 "for the simple reason that the road to peace means, for many of them, a one-way ticket out of political office or, more importantly, a one-way ticket to The Hague."

The Hague is the site of the International War Crimes Tribunal, which has charged the Bosnian Serbian military commander, Ratko Mladic, and the civilian leader, Radovan Karadzic, with war crimes.

Warring factions, meanwhile, seemed set to meet the deadline for pulling back from confrontation points, but the peacekeepers' deployment has been disrupted because of flash floods that hit a French Foreign Legion camp.

The White House indicated Wednesday that it would respond positively to a NATO request to install U.S. radar around Sarajevo to replace British and Dutch radar being moved to northwestern Bosnia.

The Washington Post had reported that British General Michael Walker, commander of NATO ground troops, had asked for two radar installations capable of quickly tracing any artillery fire back to the offending muzzle to allow for an immediate response for any attack on allied forces.

"We will meet our obligations under the integrated NATO plan, and they have always talked about counterbattery operation being central in and around Sarajevo," said the White House spokesman, Michael McCurry. "I leave it to the NATO people to talk about the hardware involved."

The White House spokesman denied that sending the radar would lead to mission escalation, with U.S. troops progressively exceeding their mandate without proper planning, as happened in Somalia in 1993.

On Tuesday, Bosnian Serbian leaders appealed to the commander of the NATO-led peace force in Bosnia, U.S. Navy Admiral Leighton Smith, to postpone the scheduled government takeover of Serbian-held districts of Sarajevo. The transition is scheduled to be completed in less than three months.

The North Atlantic Treaty Organization rejected the request, which reflected Serbian fears of living under Muslim rule in suburbs of a capital shattered by Serbian shelling during a three-and-a-half-year siege.

In Sarajevo, warring factions seemed set to meet a midnight Wednesday deadline for pulling back from front-line flash-

See BOSNIA, Page 5

A Japan Kingmaker Who Would Be King

By Kevin Sullivan
Washington Post Service

TOKYO — Ichiro Ozawa, for years the backroom kingmaker of Japanese politics, became a likely candidate for prime minister on Wednesday when he was easily elected president of the leading opposition party.

Mr. Ozawa, 53, defeated former Prime Minister Tsutomu Hata by nearly 2 to 1 in the race for the presidency of the New Frontier Party, injecting new energy into a Japanese political world suffering from a lack of direction and leadership.

"To encourage the healthy development of parliamentary democracy and for the stability of Japan in the 21st century, reform is needed now," Mr. Ozawa said at a news conference after his victory.

Mr. Ozawa's victory means that he and Ryutaro Hashimoto, 58, the tough-talking trade negotiator who was elected president of the powerhouse Liberal Democratic Party in August, are now the two most probable candidates to succeed Prime Minister Tomichi Murayama in the next elections.

Those could be held as early as this spring, given the increasing fragility of the left-right ruling coalition grouping the Liberal Democrats, Mr. Murayama's Social Democratic Party and a third party. A surprise prime ministerial candidate could always emerge, but the odds-on favorites now are Mr. Ozawa and Mr. Hashimoto, two of the most controversial politicians in Japanese politics.

Mr. Ozawa is considered brilliant and visionary by his admirers and tyrannical and devious by his critics. While he is widely admired for his intellect, his hard-charging, authoritarian style has made him unpopular in many political circles.

His reputation is similar in many ways to that of Mr. Hashimoto, the prickly trade negotiator who took on the United States in last summer's auto trade talks. His toughness and flamboyance have won Mr. Hashimoto as many critics as supporters.

"I would say Hashimoto and Ozawa are both from the same school," said Robert M. Orr Jr., an American business executive and political observer in Tokyo.

Both men learned their politics in the

Liberal Democrats under heavyweights — former Prime Ministers Kakuei Tanaka and Noboru Takeshita, party bosses who controlled a powerful faction of the Liberal Democrats.

"It's a little like two Republicans running against each other, but one of them has changed parties and is running as a Democrat," Mr. Orr said. "But it sets up a more interesting dynamic than we've seen here in long time."

Mr. Ozawa last year masterminded the merger of nine parties into New Frontier. The party was the big winner last summer in its first try at national elections. It far outdistanced the Liberal Democrats in elections for the upper house of the Diet, or Parliament.

New Frontier has been criticized for its close ties to Soka Gakkai, a lay Buddhist

See JAPAN, Page 4



Ichiro Ozawa celebrating in Tokyo.

She's Old (120), but She Drives a Very Hard Bargain

By Barry James
International Herald Tribune

PARIS — When André-François Raffray bought Jeanne Calment's apartment 31 years ago — with her still in it — he had every reason to congratulate himself on a good deal.

The agreement was that he would pay her 2,500 francs (currently \$508) a month until she died, on condition that he would inherit the apartment in the pleasant southern town of Arles. Since she was then 90, he gambled that he would not have long to wait.

But Mrs. Calment, aged 120 years and 309 days, has gone on to become the world's oldest living person as far as official records are concerned. Mr. Raffray, a lawyer in Arles, died on Christmas Day at 77.

By final reckoning, he had paid Mrs. Calment at least three times what the apartment was worth.

She tried to console him on her 120th birthday by saying, "We all make mistakes in life."

Despite this cautionary tale, the popularity of this form of home-buying shows no sign of disappearing in France. It is a long-established custom, known as "viager," or "in life."

Maupassant wrote a short story about it and a movie called "Le Viager" appeared in 1971.

Ghoulish though the practice may be, some of the stories of elderly widows cheating death while capitalists pray for them to drop dead could be taken right out of Balzac.

The rough rule is that the older the seller, the higher the price and the monthly "rent" the buyer has to pay while

the occupant is still alive. About 4,500 properties change hands this way every year. But as Mrs. Calment's longevity proves, the practice is far from risk-free. France has so many centenarians — some 5,000 — that the Social Security system recently had to program its computers to recognize people born more than 100 years ago.

Mr. Raffray, a notary accustomed to handling such deals, could not have known this in 1965, when he signed on to take over Mrs. Calment's apartment when, and if, she died and to pay her the monthly fee for the rest of her life. In 1965, only a handful of people made it to 100. Charles de Gaulle was luckier. Or, perhaps, more astute. He bought his house in Colombey-les-Deux-Eglises from a widow to whom he also agreed to pay a lifelong annuity. She died two years later.

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Honduras Struggles to Come to Grips With Past

By Larry Rohter
New York Times Service

The CIA's role in the creation of Battalion 316 was substantial, former U.S. and Honduran military and intelligence officials said. General Luis Alonso Discua, commander in chief of the Honduran military for the last five years, received U.S. training and advice before he became the battalion's first commander.



General Luis Alonso Discua, the Honduran military commander, who has defied efforts to prosecute officers for rights abuses

dez Santos, a former operations chief of Battalion 316 who is now inspector general of the national police. All three officers immediately dropped out of sight and remain in hiding. Instead of ordering his men to surrender to the judicial authorities, General Discua supported their position. "The armed forces do

revealed, the more threats there are," said Dr. Ramón Custodio López, director of the Honduran Human Rights Commission. His wife was beaten and had acid thrown in her face during his efforts to help the inquiry.

Coming Up

An Israeli Pullout Ahead of Schedule

Ramallah Withdrawal Helps Set Stage for Vote

By Barton Gellman
Washington Post Service

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Fear and Squalor in the Niger Delta Amid Vast Riches of Oil

By Stephen Buckley
Washington Post Service

useless. They say 17 children have died since the accident, which they fear contributed to the deaths.

to leave the West African country of 100 million people, whose military regime executed nine political activists last

percent of the country's export earnings and 80 percent of the government's revenues. Nearly 50 percent of the crude goes to

plots. Shell asserts that 77 of the Ogoni spills resulted from sabotage and says the shrinkage in farmland is a result of rapid

Hostility between oil-producing areas and Nigeria's leaders first bubbled up more than two decades ago when the

laid the golden egg," but many residents, blaming Shell and the government, contend that the egg proved to be rotten.

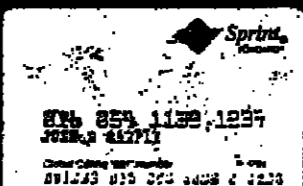
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THE AMERICAS

Brazil's Tenacious Peasants Win a Key Round in Their Fight for Land

By Gabriel Escobar
Washington Post Service

CARUARU, Brazil — Across from the neat path that leads to the Normandy estate's imposing manor lies a chaotic squatter campground whose unsure tents, which pass for homes, are made of twigs and twine, plastic and paper. Yet the camp gives the impression of permanence, since the squatters have been here for three years and have no intention of leaving. There is a reason for their persistence.

This camp is a home, but above all it is a political statement — a powerful one these days here in the northeastern state of Pernambuco and throughout Brazil — and the appearance of permanence is crucial to the struggle.

Throughout Brazil this year, in 90 or so settlements like this, thousands of peasants organized by the 15-year-old Landless Worker Movement have been turned into an indomitable army of occupation.

Armed with picks and shovels

and marshaled by the media-savvy national organization, these ragtag squadrons have fought off violent attempts at evictions, suffered and inflicted casualties and in the process have made land reform a surprising national priority in a country in which 1 percent of the population owns 45 percent of the privately held land.

In his tent, where a yellow drinking cup and other homey touches hang from the ribs of twigs that hold the thing together, 74-year-old Arlindo Francisco Versosa has constructed a bed that could well serve as a metaphor for the suddenly influential Landless Worker Movement.

Like the remarkably solid bed, which is made of thin rope, slender branches and a few stubby limbs, the movement itself draws its strength from assembling the weakest and most plentiful element of rural Brazil, the landless peasant.

That simple formula is about to convert Mr. Versosa, a descendant of slaves, from foot soldier in the

movement into unlikely conqueror. Any day now, Mr. Versosa and the other squatters will receive legal rights to the land they invaded three years ago, a promise made by none other than Brazil's president, Fernando Henrique Cardoso.

Such victories mark a significant development in Latin Americans' often quixotic quest for agrarian reform, a pursuit that has occupied the left in Brazil since the mid-1800s and has been, to different degrees and at different times, at the core of revolutionary movements throughout the continent, most recently in the Mexican state of Chiapas.

Until this year, the struggle for land reform in Pernambuco, as in the rest of Brazil, had been uphill, with legal and legislative setbacks obscuring the few victories. But this year, the Landless Worker Movement dramatically increased its activism across Brazil, aggressively occupying more land and, for the first time since the early 1960s, forcing the issue onto the national agenda.

Although other important factors

are at work here, including a more favorable policy on land reform on the part of Cardoso, many agree that the catalyst for the transformation has been the movement's intractable policy of occupation.

The result, according to members of the movement, politicians and even organizations representing Brazil's powerful landowners, is the emergence of the first powerful rural voice since the rebellious Peasant Leagues of the 1950s. This voice is that of a grassroots movement that has forced a shift in the country's policy on the distribution of land and is now setting its sights on other changes.

Already some leaders of the movement, citing their growing political muscle and the support their cause now receives in national opinion polls, predict they will have a major impact on municipal elections, especially in a few areas where squatters now form the majority of the population.

Landowners and their allies, meanwhile, say the movement's as-

cent has in effect rewarded lawlessness by awarding land to squatters. The peasant movement's aggressive tactics have produced some of the most serious outbreaks of rural violence in years, including one clash in the far-western state of Rondônia that left 11 peasants dead and hundreds injured.

But instead of tempering the activism, these clashes have energized the movement, brought it media attention and produced a new wave of recruits. Leaders who a year ago would have been content if the government met its land goals are now confidently demanding more.

"We are not going to work for the goals of the government," said Jaime Amorim, the movement's state coordinator for Pernambuco and a member of the national directorate. "We are going to work for a big social movement, and beyond agrarian reform we are going to push for other reforms."

Such bold talk reflects how far the movement has come. The number of squatters has risen this year

by almost 25 percent across Brazil, this during a period in which the government, responding to the social and political pressure imposed by the movement's activism, has made some significant strides.

Mr. Cardoso has promised to award land to 280,000 families before 1998, and despite a slow start, officials at the land reform office in Brasilia, the capital, say the target of 40,000 families this year will be met.

Although the movement questions that figure, even if fewer families were settled it is still significant, considering that land has been distributed to an average of 9,000 families a year since 1980.

Several important economic, social and political factors have helped the peasant movement. Brazil's agriculture is in crisis, the conversion to a market-oriented economy has dramatically increased unemployment this year, and the migration is now urban to rural as workers return to the country for a life of subsistence. The

landless movement has capitalized on all of this, weaving together a potent political argument that it says has 4 million Brazilian landless families as adherents.

The losers, for now, are people like Andres Tavares, whose family is contesting the Brazilian government's expropriation of the \$2 million Normandy estate, where Mr. Versosa and about 90 families are waiting for plots.

Mr. Tavares questioned the motives of both state and church and wondered why neither was offering its own huge holdings to land reform. This defeated landowner's plaintive call for justice — in a state where the sugar barons' dominion over five centuries has left a bitter legacy — is perhaps the most powerful sign of changing times.

"Here people are now in favor of land reform. My family agrees," Mr. Tavares said, acknowledging what for many was unthinkable in the 1980s. "But it has to be done according to the law, not by invading. We are the victims here."

Mexican Speed Pours Into U.S.

Flood of Cheap Drug Displaces Crack

By Sam Dillon
New York Times Service

MEXICO CITY — Like hundreds of other brash young Mexican narcotics wholesalers working the California market, Jesus Amezcua did well in cocaine, well enough to shuttle between Tijuana suppliers and his Los Angeles clients in a \$50,000 BMW. Then in 1993 the Americans brought a federal indictment against him.

But Mr. Amezcua evaded arrest and adopted a shrewd business strategy that American and Mexican officials say has carried him to the front ranks of Mexican traffickers. Retreating to safety south of the border, Mr. Amezcua shifted from cocaine to a narcotic then surging in popularity across the American West, and now sweeping east: methamphetamine, or speed.

Mr. Amezcua got into speed

at just the right moment. As lawmakers in the United States were clamping down on the "precursor" chemicals used to make methamphetamine, he and his brothers started importing vast quantities of them to Mexico from the Middle East and Asia. He began cooking up methamphetamine in laboratories throughout the Sierra Madre in Mexico and peddling it in the United States through his cocaine sales force.

Because Amezcua's business boomed, other traffickers imitated him. Elbowing aside the American outlaw motorcycle gangs who once dominated production and trafficking, the Mexican drug mafias have flooded the Western United States in recent years with methamphetamine.

The result is a new narcotics epidemic, with cheap speed displacing crack in many Western

cities. The average price nationally for a gram of methamphetamine has dropped by 20 percent over three years, to as low as \$40 from \$50.

The administrator of the Drug Enforcement Administration, Thomas A. Constantine, told Congress recently: "The Mexican traffickers who flooded the U.S. with marijuana and heroin in the 1970s and 1980s and cocaine in the 1990s threaten to overwhelm us with methamphetamine now."

Their complete control over methamphetamine production and trafficking has added to the power Mexican traffickers have accumulated in cocaine, marijuana and heroin commerce at a time when the Cali cocaine cartel in Colombia has been badly disrupted. That has strengthened the view among American and Mexican anti-drug officials that power in the hemispheric drug trade is shifting from Colombia to Mexico.

"We believe that the major drug gangs operating out of Mexico pose the largest threat currently," Mr. Constantine said.

Methamphetamine, which engulfs those who snort or inject it with temporary energy and euphoria, has been in use in the United States since the mid-1960s. But now, with production soaring in Mexican-run labs south and north of the border, abuse has spread widely as prices have plunged.

Although this year the Mexican police seized five tons of methamphetamine, one of methamphetamine's main ingredients, trade in precursor chemicals has not been outlawed. But this month, the Mexican attorney general, Antonio Lozano, proposed a bill that would for the first time impose tough sentences — up to 15 years in jail — for traffic in precursors.



DRUGS UP IN SMOKE — Peruvian police carrying bags of coca paste to be incinerated at a site near Lima. A record 30 metric tons were destroyed this year.

Budget Wrangling Shifts Into Low Gear

The Associated Press

WASHINGTON — Their brief holiday break over, congressional leaders and the Clinton administration were slowly reviving talks Wednesday to end a partial government shutdown.

Congressional and White House aides met without their bosses, a gradual start for negotiations that should involve top lawmakers and President Bill Clinton on Friday.

Senator Phil Gramm, Republican of Texas, called on his colleagues to "stand their ground as the budget negotiations resume."

"Senators have something to learn from the determination to stick with principles that has characterized our Republican colleagues in the House," Mr. Gramm, who was campaigning in the Midwest for his party's presidential nomination, said in a statement.

The talks among lower-level aides will do little to alleviate the anxiety of federal workers, whose paychecks will be smaller this week, of tourists, whose plans were changed with the closure of national parks and monuments, and of travelers who desperately need passports.

Sensitive to criticism that the talks are moving too slowly, the White House press secretary, Michael McCurry, said Wednesday: "It is an urgent situation, but the differences that exist between the two sides are very deep, very fundamental."

Some people, he said, "think it's all theatrics, but it's not." Mr. McCurry said the president would meet briefly Wednesday with the budget director, Alice Rivlin, whose staff members would see congressional aides later in the day.

Mr. Clinton's chief of staff, Leon E. Panetta, was still on vacation in California and would not get involved in the talks before late Thursday.

Representative Bill Archer, the Texas Republican who is chairman of the House Ways and Means Committee, also tried to turn up the pressure. He said Tuesday that the Clinton administration might be violating the Constitution by juggling the books to permit federal borrowing without congressional approval.

When the Senate left for a holiday recess on Friday that in other years would have lasted through much of December, the chamber passed legislation to return 280,000 furloughed workers to their jobs by declaring them essential.

Sponsored by the majority leader, Bob Dole, the measure, if approved by the House and signed by Mr. Clinton, would last through Feb. 1.

But workers would be paid only after money was approved.

The measure's fate was uncertain in the House, where Republican freshmen have promised to continue the partial closure until the White House accepts a seven-year balanced budget plan to their liking.

Nicholas Slonimsky, Musicologist, Dies

New York Times Service

NEW YORK — Nicolas Slonimsky, a formidably gifted musicologist and lexicographer who also made his mark as a conductor, pianist and composer, died Monday in Los Angeles. He was 101 years old.

Mr. Slonimsky's many references works, among them "Music Since 1900," "A Lexicon of Musical Invective" and the last several editions of Baker's Biographical Dictionary of Musicians are considered indispensable by musicians, critics and music lovers.

A compendium drawn from his writings, "Nicholas Slonimsky: The First Hundred Years," edited by Richard Kostelanetz, was published last year.

Mr. Slonimsky was no mere

purveyor of facts. He challenged lore and debunked myths that had found their way into biographies and reference works.

Rather than repeat the romantic depiction of a blizzard at Mozart's funeral, he consulted weather bureaus and discovered that the story was untrue.

He was also fascinated by unusual details. Readers in search of basic information might in the process learn, for example, that Stravinsky had a toothache the day he completed "Le Sacre du printemps," or that Schoenberg and Rossini had triskaidecaphobia, an irrational fear of the number 13.

He enlivened his dictionary entries with astute, witty and sometimes waspish observations, and in the later editions of

Baker, he introduced some musicians with lavish evaluations.

Where The New Grove Dictionary of Music and Musicians soberly describes Mozart, for example, as "one of the composers who brought the Viennese classical style to its height," Slonimsky's identifying sentence reads: "Supreme Austrian genius of music whose works in every genre are unsurpassed in lyric beauty, rhythmic variety and effortless melodic invention."

He was a vigorous champion of new music all his life. In the 1920s he founded the Chamber Orchestra of Boston, and he gave premieres of Ives' "Three Places in New England" in 1931 and Varese's "Ionisation" in 1933. Varese dedicat-

ed the work to him. He also championed Henry Cowell and Carlos Chavez, and conducted Bartok's First Piano Concerto with the composer as soloist.

Phillip Aareeda, 65, one of the foremost experts on antitrust law in the United States and a White House counsel under Presidents Dwight D. Eisenhower and Gerald R. Ford, died Sunday of leukemia in Cambridge, Massachusetts.

Emmanuel Levinas, a philosopher and religious thinker who made ethical responsibility for "the Other" the bedrock of his philosophical analyses, died of heart failure in Paris on Monday, a few days before his 90th birthday.

With her husband and a co-worker at the garage across the street, they tried to tackle it, but it slipped away from them, she said. "After it was over, I said to my mother, 'We'd better not tell anybody about this because they'll think we're crazy.'"

For Madelyne Tolentino, 31, of Canovanas, the chupacabras is no mystery. She and her mother stared at the chupacabras for three minutes or so one day when it paused on the sidewalk in front of their home.

Ms. Tolentino said the creature was built "like a kangaroo without a tail," with powerful hind legs. She also noted a web-like film hanging beneath its short, pudgy arms.

With her husband and a co-worker at the garage across the street, they tried to tackle it, but it slipped away from them, she said. "After it was over, I said to my mother, 'We'd better not tell anybody about this because they'll think we're crazy.'"

Is It a Vampire? An Alien? Monster Terrorizes Puerto Rico

By Karl Ross
Special to The Washington Post

CANOVANAS, Puerto Rico — A blood-sucking alien predator is ravaging animals throughout the Puerto Rican countryside, or so say this town's mayor and scores of uneasy rural dwellers.

Missal Negron, a 25-year-old college student, is one of 15 Canovanas residents who say they have had a close encounter with the beast, known here as the "chupacabras," or, in its literal English translation, "goat-sucker."

"I was looking off the balcony one night, and I saw it step out of a bright light in the back yard," Mr. Negron said. "It was about three or four feet

tall with skin like that of a dinosaur. It had bright red eyes the size of hen's eggs, long fangs and multicolored spikes down its head and back."

True to its name, the creature attacked the family goat, said Mr. Negron, draining the blood from its neck and disemboweling the animal.

Tales of blood-thirsty monsters have grasped the collective imagination of this U.S. commonwealth in the past. But none have left a trail of carnage as extensive as the chupacabras.

"This is not a joke," said the mayor of Canovanas, Jose R. Soto. "A number of my constituents have lost animals in the past few months. We're taking it very seriously because it's killing animals right now, but people could be next."

The government gave some credence to the chupacabras hysteria recently by launching an investigation of the night attacks. At least part of the reason was concern about its impact on the tourist industry. Puerto Rico is just now rebounding from a drop in tourism, and tourist dollars, caused by water problems last year and an oil spill two winters ago.

The creature earned its name because many of its earliest victims reportedly were goats. But, according to the nearly daily accounts of animal maulings, its diet also includes cattle, chicken, sheep, pigs, dogs and cats, even peacocks.

José Espinosa, public information officer for the State Civil Defense, said that although many have had

mentioned everything from aliens to vampires, he was certain there was a rational, down-to-earth explanation for the recurrent attacks, but he has yet to figure it out.

Carlos Soto, a veterinarian who has examined the remains of a Doberman pinscher and seven rabbits killed by the mystery predator, says he is convinced that something very strange happened to them.

In each case the cause of death were two deep puncture wounds under the right side of the neck," Dr. Soto said. "The wounds extended into the animals' brains, killing them instantly. The wounds were about the diameter of a drinking straw, and three to four inches in length. They weren't compatible with the bite of a

POLITICAL NOTES

Gingrich Probe Touches Tax Law

WASHINGTON — The special counsel named last week to investigate the House speaker, Newt Gingrich of Georgia, will be looking at a complicated area of tax law: politicians' involvement with tax-exempt charitable organizations.

In hiring James M. Cole, a former federal prosecutor, the House ethics committee directed him to limit his probe to examining whether Mr. Gingrich violated any federal tax laws — or knew they were being violated — by using tax-deductible contributions to finance a college course he taught.

Mr. Gingrich taught the course, called Renewing American Civilization, at Kennesaw State College in 1993 and the next year at Reinhardt College. Both are in Georgia. The course was funded by the Kennesaw State College Foundation and, at Reinhardt, by the Progress and Freedom Foundation, a group with ties to Mr. Gingrich and some of his closest advisers.

Internal documents show that officials at GOPAC, the Republican political action committee headed by Mr. Gingrich at the time, played a key role in helping organize the course and raising funds for it.

Democrats contend that it was illegal to use tax-deductible funds from the two foundations for what they argue was a partisan political purpose.

They cite documents such as a 1993 fund-raising letter from one of Mr. Gingrich's advisers, Jeffrey A. Eisenach, to a Tobacco Institute official. "The goal of this project is simple: to train, by April 1996, 200,000-plus citizens into a model for replacing the welfare state and reforming our government," Mr. Eisenach wrote.

Mr. Gingrich argues that the fact that some of the money for the course was solicited by Republican activists from Republicans is irrelevant to whether it was properly tax-deductible. In any case, he says, the course was a legitimate educational endeavor.

Using tax-exempt charitable organizations was a helpful device for Mr. Gingrich. Unlike regular political contributions, the donations are tax-deductible, can come from corporations as well as individuals, are not limited in dollar amount and do not have to be reported.

But to enjoy tax-exempt status, the organization must operate "exclusively" for a so-called exempt purpose, such as education, and must not "intervene in" any political campaign, the law states.

The Internal Revenue Service has adopted a fairly broad definition of what constitutes educational activity, saying that a group may advocate "a particular position or viewpoint" as long as it provides a "full and fair exposition of the pertinent facts," not just "unsupported opinion." (WP)

28 File for Mfume's House Seat

ANNAPOLIS, Maryland — In what promises to be a raucous campaign, 28 Democrats have met the filing deadline to run for the seat of Representative Kweisi Mfume, who is resigning to become the head of the NAACP.

Mr. Mfume, a Democrat who ran without serious opposition in his last four re-election bids, will step down in February.

His 7th Congressional District is in Baltimore City and part of Baltimore County.

Mr. Mfume, head of the Congressional Black Caucus, is quitting Congress to become president and chief executive officer of the National Association for the Advancement of Colored People. (AP)

Quote/Unquote

Deborah Ziska, spokeswoman for the National Gallery, after it found the money to keep open a Johannes Vermeer exhibition despite the shutdown of parts of the federal government by the budget crisis: "We are able to open the Vermeer exhibition, which is a very rare event in the annals of art history. It may never happen again in a lifetime." (AP)

Away From Politics

• The median medical malpractice jury award in the United States jumped 40 percent this year, to \$500,000. The increase from a median award of \$356,000 in 1994 marked a return to 1993's record-setting half million dollar levels. Jury Verdict Research Inc. said in a report. (AP)

• A thousand Astro-Lounger recliner armchairs are being recalled because the space between the chair's seat and leg rest is big enough to trap a child's head, the Consumer Product Safety Commission said. (AP)

• Leaking gas caught fire and blew the roof off a ranch house in North Ridgeville, Ohio, killing a woman and seriously injuring her husband. (AP)

"The IHT ran a TWA advertisement in its December 23-25 and December 26 issues announcing a 'guest for free' offer. This was not a valid offer by TWA and the IHT printed the ad in error."

ASIA

China to Name Panel On Colony's Future

New Committee Will Rival Hong Kong's Legislature

By Kevin Murphy
International Herald Tribune

HONG KONG — Largely ignoring Hong Kong's most popular elected politicians, Beijing will name 34 prominent business leaders to a powerful committee that is planning for the British colony's handover on July 1, 1997, according to reports published Wednesday.

The 150-member Preparatory Committee is designed to help implement and advise Beijing on the myriad details of Hong Kong's final transition to Chinese rule.

It will also favor Hong Kong appointees over those from China in keeping with the "One country, two systems" and "Hong Kong people running Hong Kong" slogans that Beijing says guide its intentions toward Hong Kong.

But with Beijing vowing to dismantle the territory's existing Legislative Council in 18 months' time, analysts said the new committee is likely to emerge as a potential rival to Britain's remaining political influence in the community.

"The real question is how this committee will promote Hong Kong's interests when those interests aren't aligned with China," said Bob Broadfoot, managing director of Political and Economic Risk Consultancy Ltd., as quoted in a Bloomberg Business News report.

According to a report in Hong Kong's Chinese language Ming Pao newspaper, Beijing will name 14 of 60 currently sitting Legislative Councilors to a Preparatory Committee that will be nearly two-thirds dominated by Hong Kong appointees.

But none will come from the Hong Kong Democratic Party, led by Martin M. C. Lee, or

aligned groups that have angered Beijing with calls for greater democracy.

Nor will the Preparatory Committee include representatives from business firms still clearly linked to Hong Kong's weakening colonial business and administrative elite.

The composition of the new committee, to be formally announced Thursday in Beijing after approval by the Standing Committee of the National People's Congress, has featured heavily in local media reports. Governor Chris Patten was criticized this week by Chinese officials for interfering in post-1997 matters through his comments that the local community sought a broader range of representatives than would be included on Thursday's list.

At the same time, a member of the National People's Congress Standing Committee, Tsang Hin-chi, on Tuesday denied reports that the Preparatory Committee's selection had ranked influential Chinese provincial officials who thought they, too, should have been included on the list.

On several occasions the Preliminary Working Committee, which did not include many of the top businessmen likely to be named to the Preparatory Committee Thursday, made policy recommendations to Beijing that jarred local confidence.

The heavy presence of local business leaders on the new committee is seen by some analysts as a counterbalance to the Preliminary Working Committee's prior influence.

While they might not have Hong Kong's political freedoms at heart, the business leaders are likely to resist any moves Beijing might make to weaken the trade and financial center's future strength.



TIME WITH THE BOSS — President Jiang Zemin of China visiting workers at a wool mill in Lanzhou during a tour of Gansu Province.

Captives' Release Fails to Restart Seoul Rice Aid

Reuters

SEOUL — South Korea, brushing aside the release by Pyongyang of five captured seamen, ruled out resuming rice aid to the North on Wednesday unless its neighbor changes its attitude.

"There is no change in our government's position, the deputy unification minister, Song Young Dae, said. "For additional rice assistance, there must be a change in North Korea's attitude toward us."

"The return of the Woosung crew should not be seen as a change in North Korea's basic attitude," he added.

The handover at the border on Tuesday of the five seamen, as well as the remains of three other crew members, was just one prerequisite for additional

aid, Mr. Song said. "The issue of rice aid all depends on North Korea," he added.

The trawler Woosung was seized in May after straying into Northern waters.

Two of its crew members were killed during its capture and one later died of illness.

North Korea is on the brink of famine after floods devastated the summer grain crop.

Seoul shipped 150,000 tons of rice to the North on humanitarian grounds this year, but it suspended the aid program after Pyongyang rebuffed repeated requests to release the Woosung and its crew.

South Korea has since said further deliveries can be made only if North

Korea agrees to broader government-to-government dialogue.

It ignored a United Nations call to maintain the rice flow and asked Japan to follow suit. Tokyo shipped 300,000 tons of a promised consignment of 500,000 tons of rice.

On Tuesday, Seoul's official media suggested that the release may have won Pyongyang more aid.

It quoted a diplomatic source as saying that officials from the United States, South Korea and Japan would meet in Hawaii next month to discuss the issue.

"It's difficult to say that Pyongyang is changing its attitude with the return, a Unification Ministry official said.

"It seems to still want nothing to do with the South Korean government but

do a show for the outside world," the official said.

"It's not enough," said an official at the Foreign Ministry, referring to the crew return.

"If the North really is desperate it should ask for more rice and stop the slandering. They should hold talks with us."

The official confirmed that the meeting in Hawaii would take place, but said it had not yet been decided what issues would be discussed.

The Yonhap news agency reported that the United States would be represented by Winston Lord, the senior American official for East Asia and the Pacific, Japan by Deputy Foreign Minister Shunji Yanai and Seoul by Deputy Foreign Minister Lee Jai Chun.

Mall Owner Sentenced For Disaster In Seoul

Compiled by Our Staff From Dispatches

SEOUL — A court on Wednesday gave a 10 and a half year prison sentence to the owner of a shopping mall that collapsed, killing 501 people and injuring 900 in the worst civil engineering disaster in South Korean history.

Relatives of the victims had demanded the death penalty for Lee Joon, 73, who was found guilty of negligence in the June 30 accident, when the five-story Sampoong Department Store collapsed with more than 1,500 shoppers and employees inside.

Lee Han Sang, Mr. Lee's 43-year-old son and the president of the mall, was convicted of negligence and bribing government officials. He was sentenced to seven years in prison. The three-judge court also imposed prison terms ranging from eight months to three years and fines of up to \$17,000 on 23 others charged with various irregularities connected to the collapse.

"The defendants deserve stern punishment for bribing relevant officials, thus causing a major disaster," said the senior judge, Lee Kwang Yol.

The store caved during a busy early evening when it was packed with shoppers and employees.

It was one of several man-made disasters that set off public hand-wringing over the human cost of South Korea's breakneck economic growth and drew attention to the sometimes lethal effects of corruption.

Faulty design and poor construction were blamed for the collapse of the store. Witnesses said the roof of the mall had been crumbling all day, but that officials who met to discuss the situation had left after deciding to take no action.

The organization that represents the victims' families repeated its stance that both Lees should be executed and said it would stage rallies to express dissatisfaction.

"We are angry," the families said in a statement. "They deserved the highest punishment possible. They deserved the death sentence."

Under South Korean law, however, the death penalty is not applicable in negligence cases.

Among those convicted were 12 city officials who took bribes in exchange for allowing illegal design changes and construction. Eleven defendants, mostly low-level mall and construction company officials, were given two-year suspended sentences. (AP, Reuters)

BRIEFLY ASIA

China Defends Record On Human Rights

BEIJING — China praised its human rights record Wednesday and attacked Western critics for interfering in its domestic affairs. The official government report, issued by the Chinese cabinet, appeared to be intended to head off criticism of Beijing before the United Nations Human Rights Commission in March.

Its publication came two weeks after a Beijing court sentenced China's most uncompromising democratic activist, Wei Jingsheng, to a 14-year prison term.

Like most of the government's justifications of its human rights policies, the 23,000-word report stresses group rights over individual ones. It notes that China has given priority to the people's rights to economic development and political order. (AP)

2 Accused in Philippines Of U.S. Officer's Death

MANILA — Two rebels captured in a government crackdown on leftist guerrillas are suspected in the 1989 killing of a U.S. Army colonel, officials said Wednesday. Colonel James (Nick) Rowe was ambushed on April 21, 1989, as he was being driven to his office in suburban Quezon City. Two others convicted in the killing are serving life prison terms.

The new suspects were identified as Orlando Bondalian Jr. and Ruperto Lopez Jr., Interior Secretary Rafael Alunan accused them Wednesday of taking part in the attack on Colonel Rowe. They have not yet been charged with the crime. (AP)

India Investigates Breach In Air-Defense System

NEW DELHI — The government has created a top-level intelligence committee to look into gaps in India's air-defense system after a cargo plane dropped a huge cache of weapons, news reports said Wednesday.

Five Latvians and a Briton were being questioned after the suspicious plane was forced to land in Bombay by two Indian jet fighters last Friday.

The police were continuing to search for weapons that were parachuted in crates into

Japanese Reactor Chief Apologizes for Cover-Up

TOKYO — The head of the state-funded operator of Japan's fast-breeder reactor apologized to a parliamentary committee Wednesday for an attempt to cover up the extent of an accident that forced the shutdown of the reactor.

"The employees lacked awareness regarding public information disclosure," Hiroshi Oishi, head of the Power Reactor and Nuclear Fuel Development Corp., told the House of Representatives' Science and Technology Committee.

The corporation operates Japan's prototype fast-breeder reactor, Monju, in Fukui Prefecture north of Kyoto. Monju was closed down on Dec. 8 after liquid sodium, an explosive substance, leaked in the secondary cooling system.

The accident was compounded by a delay in shutting down the reactor, a delay in alerting the local community and a cover-up of crucial information on what happened.

Plant officials were found to have concealed or tampered with video tapes that showed the extent of the damage. (AFP)

VOICES From Asia

Mahathir bin Mohamad, prime minister of Malaysia, saying that the country's transformation into a developed nation hinges on harmony among ethnic groups: "We cannot stop at just ensuring that only relations between communities are good. We want relations between members of society, be they from the same community or different community, to be closer." (AFP)

Chiang Chung-lin, defense minister of Taiwan, denying reports that Taiwan's military was reviving a long-shelved project to develop medium-range missiles capable of targeting China: "We have no plans to revive the Sky Horse project or to change the short-range Sky Bow II into a medium-range missile. Nor would we develop nuclear weapons." (AFP)

GIs Dispute Responsibility for Japan Rape

Reuters

TOKYO — A U.S. serviceman described by his co-defendants as the ringleader in the alleged rape of a schoolgirl on Wednesday disputed their claims that he bullied them into an attack that has undermined U.S.-Japan relations.

In the sixth session of the trial of the three servicemen, Seaman Marcus Gill implicated Kendrick Ledet and Rodrigo Harp, both Marine privates, in the rape of a 12-year-old girl on Sept. 4. Kyodo news agency reported.

On Tuesday, Private Ledet and Private Harp told Naha District Court that they were forced by the older and stronger Seaman Gill to help abduct the girl. Private

Harp told the court that he was afraid to disobey Seaman Gill.

Seaman Gill, 23, has pleaded guilty to abduction and rape. Private Harp, 21, and Private Ledet, 20, say they joined in the abduction but did not rape the girl.

Seaman Gill, who said on Tuesday that his two co-defendants "left out the parts that made them look bad," told the court that Private Harp, who first spotted the girl, and Private Ledet were the ones who jumped out of their rented car and grabbed her. Kyodo said.

The case has touched off an outpouring of resentment in Okinawa at the concentration of U.S. military bases on the island.

GRAMM: Though He Is Waging an Uphill Fight, Few Would Count Him Out Altogether

Continued from Page 1

Mr. Dole, not against the lesser-knowns. In fact, by declaring early and raising \$20 million, far more than any other candidate except Mr. Dole (though Steve Forbes is a wild card because he is spending his own money), Mr. Gramm wanted the race to be a two-man duel by now.

But if Mr. Gramm is waging an uphill fight for the nomination, few people count him out altogether. Richard Murray, a professor of political science at the University of Houston who has closely followed Mr. Gramm's political career, said that while "it doesn't seem like he plays well on the presidential stage," Mr. Gramm has a history in Texas of winning races in which people did not take him seriously at first.

In fact, the only race he ever lost — long before he switched from the Democratic to Republican Party — came when he tried, as an obscure 33-year-old professor of economics at Texas A&M University, to

wrest the Democratic nomination for the Senate from a popular incumbent, Lloyd M. Bentsen, in 1976.

"Phil Gramm is just so easily underestimated," Mr. Murray said. "He's smart. He's tough. He's determined. He's resourceful. He's focused."

Mr. Gramm has a history of shrewdly seizing the political advantage. Running behind in a race for the House of Representatives two years later, Mr. Gramm seemed headed for oblivion until the retiring congressman in his district, at a news conference to endorse Mr. Gramm's opponent, falsely implied that Mr. Gramm and his wife, Wendy, had a child out of wedlock. Mr. Gramm masterfully seized on the aspersions, using it to build both voter attention and sympathy, and he narrowly won the race.

And in perhaps the most legendary incident of his career, Mr. Gramm appeared to have violated all political decorum in a 1982 fracas. As a member of the Democratic-controlled Budget Committee in 1982, Mr.

Gramm, according to an account by President Ronald Reagan's budget director, David A. Stockman, provided the Republican White House with crucial secret information about the Democrats' budget strategy.

Mr. Gramm was booted off of the committee for his heresy. But rather than atone, he committed apostasy.

He resigned his seat, immediately declaring for the vacancy as a Republican and telling the voters in his district: "I had to choose between representing Tip O'Neill or y'all, and I chose to represent y'all." He won, smashing, and the next year he won the statewide election to the U.S. Senate.

He has survived ethics scrapes ranging from the arguable use of his Senate staff for campaign activities to a controversy over a Dallas savings and loan operator's paying almost half the \$117,000 in building expenses on Mr. Gramm's vacation home on Maryland's Eastern Shore. Mr. Gramm said that the man contracted to do the work and that the money represented a cost overrun.

Mr. Gramm's tenacity is well documented in everything from his political campaigns to his courtship of his second wife, Wendy Lee Gramm, whom he married in 1970 and with whom he has two sons, Marshall and Jeff. Both Mr. Gramm and his wife say her first response to him was: "Yuck!"

That was when Mr. Gramm was on a recruiting trip for Texas A&M, which was ready to offer a job to Miss Lee, herself an economist. "As a single member of the faculty," Mr. Gramm's future wife recalled him telling her, "I'd be very interested in having you come to Texas A&M." The remark, rather than landing Mr. Gramm a sexual-harassment lawsuit, landed him a wife.

Mr. Gramm cites the evident affection of his wife — as well as that of the many long-serving members of his staff and of his

dog, a yellow Labrador named Gus — to counter a recurring description of him as "mean."

"I think that when you say, 'No,' in Washington, it makes you mean," he said, as a turboprop airplane passed over the crimson-rock canyons of central Arizona. "But people forget that when you say, 'No,' in Washington, you're making it possible for families to say, 'Yes,' around their kitchen table."

Mr. Gramm's pre-eminent campaign pledge is to balance the federal budget in four years, if he is president, and not to run for re-election if he fails to do so. And in recent weeks — perhaps in response to a memo from his own pollster, Linda DiVall, who warned that the Gramm campaign "offers pain and hard choices, no optimism" — Mr. Gramm has been trying to stress the positive aspects of his plan.

"All we hear from Washington is the sacrifice involved in balancing the federal budget," he said at a construction site in Phoenix. "We don't hear anything about the benefits."

To that end, he produced 27-year-old Ty Brewster, a struggling computer programmer with his wife, Lisa, and two young daughters, Morgan and McKenzie. "This is something we'd like to do if we could just get a little more of our tax dollars back," Mr. Brewster said, gesturing at a house in the making.

Mr. Gramm, projecting that a balanced budget would cut interest rates by two percentage points, rattled off figures about just how much money "average Arizonans" could save on home mortgages or car loans.

To the builder of a master-planned community here in Flagstaff, Mr. Gramm was even more blunt: "I'm gonna make you rich by balancing the federal budget!" he pledged, slapping the man on the back.

Mr. Gramm is often given credit for preaching much the same economic message from the beginning of his career or,

as he often puts it: "I was conservative before conservative was cool."

Drawing a contrast with Mr. Dole, whom he described as "a politician in search of a consensus" and someone who was "chessless" about the real meaning of last fall's election, Mr. Gramm said:

"Party activists know that Senator Dole for 35 years has basically been, in the context of the modern Republican Party, a moderate. His hallmark has been cutting political deals and I think if there's ever been a time where the public is not inclined to go with a deal cutter, it's now."

Then, he quickly added: "Now I know him well. I like Senator Dole. I'm an admirer of his."

Mr. Gramm does have a talent for offering conservative positions in clear, colorful terms. "The social safety net has become a hammock," he says, or: "We must stop building prisons like Holiday Inns."

His chief strategist, Charles Black, said Mr. Gramm's big breakthrough would probably come just after Iowa and New Hampshire, in places like Arizona, whose primary comes one week later.

"Iowa's really Dole's best state in the whole country," Mr. Black said in an interview. "New Hampshire, that's a northeastern, New England state — you've got to expect Dole to win those. Then, the calendar gets much more Gramm-friendly."

The senator agreed: "One clear advantage I've got right now is that the people that are for me are for me. They have been for me when they have read every day that I was losing. They have been for me under the worst of circumstances and they are not going anywhere. And if we begin to win, they're going to get very, very enthusiastic about it. And that's a strength."

JAPAN: Tokyo's Backroom Kingmaker Aims to Shake Up Politics, and Emerge as King

Continued from Page 1

organization whose supporters accounted for about half of the party's votes in last summer's balloting.

But most observers believe that New Frontier still has momentum, especially after a campaign between Mr. Ozawa and Mr. Hata that was praised for its open debate on important issues, a rarity in the closed world of Japanese politics.

In an effort to open the process further, New Frontier allowed any adult citizen of Japan to vote in the election, for a \$10 fee. There are about 490,000 registered party members and associate members, and 1.6 million ballots were cast since the balloting started on Dec. 16.

Critics said the process was flawed because many ballots did not include the voter's name and telephone number, making it impossible to guard against multiple voting and other fraud.

Mr. Ozawa's victory was marked by the kind of radical proposals for change for which he has become known in the last three years. In this election, Mr. Ozawa called for fundamental changes to what he called "the entire outdated system of politics, the administration, the economy and society."

Mr. Ozawa's 10-year plan, which he has described as "extremely spicy," calls for big cuts in taxes on income, land and corporate earnings, along with major investment in technology, railroads and airports.

He has proposed streamlining the entrenched central government bureaucracy into 15 ministries, and delegating many of the bureaucracy's functions to 300 new "city" governments.

He also has proposed shortening the workweek, helping women re-enter the workforce after bearing children and doing away with employment practices that favor academic credentials above all else, so doing away with the "examination hell" that skews Japanese education toward rote memorization of facts.

In addition, Mr. Ozawa would like to create a new armed force that would be used exclusively for United Nations peacekeeping operations. He

called for the rest of Japan's military to be kept at "minimum defensive strength."

Many of Mr. Ozawa's proposals are startling in Japan, where the government bureaucracy regulates nearly every aspect of life, but Mr. Ozawa has startled the Japanese before.

In 1993, he defected from the Liberal Democrat Party, where he had been the chief political strategist, and became one of the reformers who brought down the mighty ruling party after nearly 40 years in uninterrupted power.

He was a key backer of Morihiro Hosokawa, who was elected prime minister in July 1993 in a remarkable repudiation of the Liberal Democrats that few thought possible.

Mr. Hosokawa, who had backed Mr. Hata in Wednesday's election, said in interviews that people had "voted for forceful leadership in a time of uncertainty and stalemate."

In June 1993, Mr. Ozawa published "Blueprint for a New Japan." The book, notable for its blunt language and criticism of some basic Japanese "government knows best" beliefs, was an immediate best-seller and drew angry criticism.

But Takayoshi Miyagawa, a political analyst, said Wednesday: "Ozawa is the only politician who can break the blockade in Japanese politics. All the other politicians try to put off the problems, but Ozawa has the courage to confront them directly right now."

EUROPE

French Cult Member Wondered Why He Didn't Die Earlier

By Craig R. Whitney
New York Times Service

PARIS — A 27-year-old man identified by the French authorities as one of 16 people found dead last week after an apparent cult rite had said that he feared for his life after a similar massacre a year ago.

Patrick Vuarnet, one of three sons of a former French Olympic ski champion and ski entrepreneur, Jean Vuarnet, said after the murder-suicide of 53 members of the Order of the Solar Temple in Switzerland and Canada in October 1994 that he and his mother had both been members of the apocalyptic cult.

"I fear for my life," he told the magazine *l'Express* then. "My mother and I are both still wondering why we didn't receive the call."

Mr. Vuarnet disappeared from Geneva, where he lived, 10 days ago. On Saturday, his charred body and those of his mother, Edith, his companion, Ute Verona, and Ms. Verona's 6-year-old daughter, Tania, were

found among 16 corpses laid out radially around the remains of a campfire in the wilderness of the Vercors region of southeastern France.

All the corpses had at least one bullet wound and had been doused with incendiary fluid. Police in Switzerland, where most of the dead cult members lived, have not ruled out mass murder.

Autopsies have found that 14 of the 16 cult members found in the remote forest clearing were killed by rifle shots. Reuters reported, quoting a French prosecutor on Wednesday.

The prosecutor, Jean-François Lorrain, said the 14 were probably killed by two cult members who were police officers and who appeared to have then killed themselves with their service pistols.

The two known leaders of the group, its founder, Luc Jouret, a Belgian doctor, and Joseph Di Majo, died more than a year ago. Their remains were recovered among the bodies immolated in October 1994.

net family is well known in France. The head of the family, Jean Vuarnet, nearly 63, helped found the ski resort of Avoriaz in the French Alps and was also closely associated with the nearby resort of Morzine. He heads a business that licenses the family name to manufacturers of stylish sunglasses and ski equipment.

Mr. Vuarnet said on French television over the weekend that he was aware that his wife and the youngest of his three sons had kept in contact with members of the cult even after its two leaders and 51 of their followers were found burned to death last year.

The French authorities said they would release a list of all of those found dead in the Vercors after the completion of the autopsies, but it is expected to be identical to a list of 16 people associated with the cult whose relatives reported them missing earlier this month.

The service revolvers of two French policemen on that list were found among the charred bodies last week.

One of them, Jean-Pierre Lardanchet, stationed in the French Alps, was missing with his wife and two children, aged 2 and 4. In all, three children's corpses were found last weekend.

French cult experts said that the Order of the Solar Temple mixed elements of Christianity, astrology and medieval legend about the Order of Knights Templar, dissolved in 1312, and speculated that the 13 adults died or were killed as part of a winter solstice ritual: the solstice, which marks the shortest day of the year, occurred Friday.

"These people knew too much and were murdered," speculated Renaud Maric, a French author who has published a book on the Order of the Solar Temple.

In an interview published in *l'Express* after the massacres last year, Patrick Vuarnet said that he had been introduced to the cult by an astrologer in Geneva, and that he had decided to join after discussions with his mother, described by friends as an emotionally

unstable woman who felt neglected by her husband.

"The theme of the passage from life to death came up again and again," he said then. "Jouret explained that there was nothing to fear — quite the contrary, I began to feel close to sacrifice."

"What I thought was true is false, and I failed to recognize that."

But over the weekend of Dec. 17, authorities believe, he drove his mother, his companion and her child the 150 miles (240 kilometers) from Geneva to the forest above the French village of Saint-Pierre-de-Chérennes for the final passage.

Jacques Guyard, head of a French parliamentary commission on sects that was set up in 1994, said there were 1,300 of them active in France, from Scientology to splinter groups, with 150,000 members.

Mr. Guyard said the commission would propose closer supervision and new laws to make it harder for sects to claim immunity from prosecution for committing crimes.

BRIEFLY EUROPE

Pro-West Turk Parties Seek Pact

ANKARA — Turkey's political parties set about forming a secular alliance Wednesday to block Islamists from taking power after weekend elections, but mutual resentment between the party leaders showed problems loomed.

"I believe there will be a coalition soon — there are no top-level meetings at the moment, but behind-the-scenes work is going on," said an aide to Prime Minister Tansu Ciller. "But I don't think the coalition can last long, and I can foresee new elections in less than two years."

Mrs. Ciller's True Path Party and the rival conservative Motherland Party finished together behind the Islamists in elections Sunday, winning about 40 percent of the vote between them, against a bit more than 21 percent for the Islamist Welfare Party.

Analysts fear a further power vacuum in Turkey, where there has been a stopgap government since Mrs. Ciller's right-left coalition collapsed in September, if conservatives cannot unite. (Reuters)

Kozyrev Sent on Afghan Mission

MOSCOW — Russia's foreign minister, Andrei V. Kozyrev, was still clinging to his job Wednesday after a meeting with President Boris N. Yeltsin. But he was clearly on notice.

Mr. Yeltsin said this fall that he would replace Mr. Kozyrev. The question was when. Many observers expected Mr. Kozyrev to emerge from the meeting Wednesday with his resignation in hand. Instead, he was told to go to Afghanistan and negotiate the freedom of Russian pilots downed there by Islamic fundamentalists. (AP)

Hints of More French Unrest

PARIS — The co-leader of the recent wave of strikes in France is threatening more unrest at the end of January when new tax increases bite into pay slips, according to an interview published Wednesday.

Marc Blondel, the leader of the Workers Force union, told *La Tribune Desaffaires*, a business newspaper, that, "come the end of January, when taxes will hit, there will be an awakening of demands."

He said the union's executive committee would meet Jan. 15 to "see what are the attitudes of our organizations" and "examine the situation for further actions." Mr. Blondel said the unions would press the government of Prime Minister Alain Juppé to limit parliamentary oversight of the social security system to disbursement of tax revenue and not of revenue from worker and employer contributions. (AP)

Polish Prime Minister Stays On

WARSAW — The Polish prime minister, Jozef Oleksy, who has been accused of spying for Moscow, said Wednesday that he would not suspend his duties until prosecutors reviewed the allegations.

"The tasks and duties of the government are substantial, and it is not time for such gestures," Mr. Oleksy said in a state radio interview, responding to suggestions that he should take a leave of absence.

The espionage allegations against Mr. Oleksy arose last week, just as President Lech Walesa was to hand over the power to Mr. Oleksy's colleague, Alexander Kwasniewski. Mr. Oleksy has rejected the charges as groundless. He acknowledges frequent contacts with Russians, but says the evidence against him was fabricated by Mr. Walesa's supporters. (Reuters)

New Clue in Palme Case Dubious

STOCKHOLM — A gun being examined in connection with the 1986 murder of the Swedish prime minister, Olof Palme, may not even have been in existence at the time of the killing, the police said Wednesday.

Forensic experts were examining the revolver, a Smith & Wesson .357 Magnum, which was handed over to police after an anonymous source gave it to the tabloid *Aftonbladet*. "A technical investigation is under way," a police spokesman said. "It may be that the barrel, or even the whole gun, was made after 1986."

He said the police hoped the tipster, who has communicated with the police only through *Aftonbladet*, would come forward for proper questioning. (Reuters)

135 Massacred in Raids By Rival Zulu Groups

DURBAN, South Africa — At least 135 people have been killed in political and criminal violence in South Africa's Zulu heartland province since last Friday, the police said Wednesday.

The toll compared with 90 victims of violence in KwaZulu-Natal province over the same period a week ago.

In one of the worst incidents, the police said more than 600 Zulus armed with spears, axes and guns swept through rural villages of Shobashobane in Izingolweni, on the KwaZulu-Natal south coast, burning, killing and looting in a suspected politically motivated attack on Christmas Day.

At least 19 people were killed in the attack on homes of families of African National Congress supporters.

Deputy President Thabo Mbeki on Tuesday visited the scene of the massacre outside Port Shepstone, 160 kilometers

(100 miles) south of Durban.

The ANC's spokesman in KwaZulu-Natal blamed the Zulu-based Inkatha Freedom Party for the massacre.

But an Inkatha spokesman, Phillip Powell, denied the allegation, saying Inkatha members had been subjected to a wave of killing in the past three months.

A police spokesman said Shobashobane was quiet Wednesday, and that he expected the toll to rise as more bodies were found in burned houses.

"Shobashobane is a ghost town," he said. "That means it is quiet since the attack. I can say that nobody has been arrested. There are units of the South African National Defense Force and the Internal Stability Unit patrolling the area."

A human rights watchdog group, the Network of Independent Monitors, called on Safety and Security Minister Sydney Mufamadi to allow an independent investigation.

Paris Denies Cover-Up On Pilots' Treatment

Reuters

PARIS — France denied Wednesday that it was shielding the Bosnian Serbs after a newspaper said that two French airmen had been told to cover up alleged torture during 104 days as captives in Bosnia-Herzegovina.

"We have not accepted any conditions" for the pilots' release, a Foreign Ministry spokesman, Yves Doutriaux, said.

The weekly *Le Canard Enchaîné* said Tuesday that a French general had ordered the airmen to "say that everything happened according to the Geneva Convention," though, it said, they were badly beaten, poorly fed and subjected to mock executions in which they were choked and their broken legs kicked.

"I don't think it's a way to protect the Serbs," Mr. Doutriaux said. "Immediately after their release and before their release we said we were not ready to discuss with the Serbs any conditions. We said it then, and we can repeat it now."

Lieutenant José Souvignat and Captain Frédéric Chiffot were freed by the commander of the Bosnian Serbs, General Ratko Mladic, on Dec. 12, eliminating a final stumbling block to the signing of the Bosnian peace accord in Paris two days later.

The paper said Captain Chiffot's nose was broken during beatings and an employee of the hospital where both men were treated for broken limbs continued to hit Captain Chiffot's nose, knocking him unconscious several times. A Defense Ministry spokesman denied the pilots had been told what to say about their captivity but would neither confirm nor deny the paper's account of their treatment.

Captain Chiffot's father, Jean-Louis Chiffot, said in interviews that the article was "very precise."



SNOWBOUND — Boats blanketed with snow Wednesday in the Yorkshire town of Filey. In the Shetland Islands, some roads reopened, but hundreds of people lacked electricity and more snow was forecast for the weekend.

EUROPEAN TOPICS

New Software Harnesses For Royal Mail's 'Snail'

In Britain, electronic mail and conventional mail may just have found a way to live together. Thanks to a technological crossover promoted by a private on-line company, computer users will be able to send messages to those who do not have computers for next-day delivery anywhere in Britain.

During a two-month trial, users of software offered by the PhoneLink company will send E-mail messages much as they would have before, reports *The Sunday Times*. PhoneLink's computers will pass on those destined for conventional delivery — "snail mail" in the Internet jargon — to the Royal Mail's electronic services headquarters in London. There they will be printed out, placed in envelopes and sorted for delivery.

"We think of it as having a postbox on your desk," says Chris Knowles, a PhoneLink spokesman. "And one which happens to be at the center of the Royal Mail's postal services."

In the future, the Royal Mail may also offer custom-designed envelopes and color printing of E-mail documents.

PhoneLink does not have an exclusive arrangement with the Royal Mail, so if the experiment is a success, imitators are bound to follow — taking some of the "snail" out of snail mail.

Around Europe

The 12-mile coastline between Blackhall and Ryhope, in northern England, was known for scenic wooded valleys referred to locally as "denes" — until the coal mining industry arrived in the last century. The lovely coast of East Durham became the infamous "black beaches" polluted by mine waste. But two years ago, the last deep mine closed. Local, regional and national groups are now raising £10.5 million for a cleanup that will include removal of two huge slag heaps. The East Durham Task Force hopes eventually to reopen six railroad stations that once brought thousands of vacationers to the coast.

It is a most European story: B. D. Cremer was a youth of 14, living in the Dutch city of Groningen, when German soldiers, on their way out of town, entered the family home one dark April day in 1945. When they took the young boy's most prized possession, a stamp collec-

tion, he screamed so loudly that the soldiers threatened to shoot his father. After the war, he painstakingly assembled a new collection, only to have it stolen during a break-in. Incessantly in the family left him without the where-withal to start over. So he turned to the Germans — who else? — for help. In a letter to the daily *Die Welt* of Hamburg, he asked for gifts of stamps to allow him to build a new collection, saying, "Germany has, in the European Union, become our true friend." The response has reportedly been most gratifying.

In the past, some elderly French people left their fortunes to be administered by the village or city government, which each year would confer an award on a local person or couple of unusual merit. The quaint-sounding practice endures, but it has required some updating. In 1892, one Victorine Gilbert left her fortune to provide annual awards to "the person who, at greatest risk to life and limb, has managed to stop a runaway horse in Paris." The City of Paris has combined and modernized such prizes, now recognizing, for example, a person "displaying great courage." Years ago, a certain Mademoiselle Garbiller left her own fortune to award "virgin maidens of the seventh arrondissement." Now there is an award for a "deserving young wife."

International Herald Tribune

SLOVAKIA: Democracy at Risk GYPSIES: Czech Law Makes Citizenship Difficult

Continued from Page 1

deputy chairman of the Christian Democratic party, have recently reported being assaulted on the street by thugs who were not interested in robbing them. Both suspect that the beatings were a form of retribution or warning from elements of the newly invigorated secret police.

Last month, Parliament approved a law requiring the use of the Slovak language in many circumstances. Like many Slovak laws, this one is vague and open to various interpretations. But it has deeply upset leaders of the country's ethnic Hungarians, who constitute about 11 percent of the population.

The Hungarian ambassador, Jeno Boros, said he feared that "bureaucrats at lower levels" would use the law to discriminate. Mr. Boros described several cases that have already come to his attention, including one in which an ethnic Hungarian was not allowed to send a telegram in Hungarian.

"There is an old expression in this part of the world that says that the more languages you know, the better person you are," he said. "Now you hear a new expression: The more languages you know, the worse Slovak you are."

In recent weeks, Western governments have expressed the concern about these developments in a series of blunt messages. The European Union made a formal diplomatic démarche to complain about human rights abuses, and the Unit-

ing States followed with one urging the government to place "greater emphasis on the tolerance of diverse opinions."

Soon after, the European Parliament adopted a resolution charging the Slovak government with following "policies which show no respect for democracy, human and minority rights and the rule of law."

The chairman of Slovakia's Parliament, Ivan Gasparovic, who is a close ally of Mr. Meciar, warned that these condemnations were "creating dangerous tension and nervousness in the country."

"A large number of Slovaks are beginning to have serious doubts about the sincerity of Western states' desire to integrate Slovakia into the EU and NATO," Mr. Gasparovic said.

Mr. Gasparovic and Mr. Meciar declined repeated requests for interviews this month, but one leader of the governing party, Dusan Slobodnik, chairman of the parliamentary committee on foreign affairs, agreed to speak briefly.

"In no country in the world is it allowed for people to say publicly that the prime minister is a criminal, without any repercussions," Mr. Slobodnik said. "Meciar was elected by the people, and in our political system that means he has all the power he needs. We have made mistakes, I don't deny it. But we have elections and a free press as in any democratic country. Nothing happens here that is not in accordance with the necessity to defend this country."

Continued from Page 1

fairly weak on this," a UN refugee official said.

Aside from the basic question of human rights, the refugee agency has also expressed concern that the Czech law is encouraging Gypsies, frustrated at the lack of security at home, to flee to Western Europe. Several hundred Gypsies have sought asylum in Germany in the last two years.

There has so far been no action on appeals to the Czechs to change the law and bring it into line with the standards of the

Council of Europe, of which the Czech Republic is a member.

Critics say this is partly because Mr. Havel has been unwilling to push to change a law that public opinion surveys show is hugely popular among Czech voters.

Ladislav Zambor, a social worker with the Tolerance Foundation, said Mr. Havel had told the foundation this year that he was powerless to change what he agreed was an unfair law.

In response to criticism, Czech officials have denied that the law is discriminatory. Zdenek Matejka, a government

citizenship expert, said that medical and unemployment benefits were conditioned on a permanent residence card, and not on citizenship.

In practice, however, social workers say that residence cards are difficult to obtain and that government agencies demand evidence of citizenship before giving benefits.

The Czech Interior Ministry, which oversees citizenship procedures, reports that Czech citizenship has been given to 360,000 Slovaks since 1993. But most of these people are non-Gypsies, social workers say.

Everything Goes To Qatar Sheikh

Martin Bennett, the owner of Charlotte's near the Marble Arch in London, celebrating the sale of the entire contents of his furnishings shop to a sheikh from Qatar who misread the sale sign and offered a half-million dollars for the store's stock. The merchandise will be shipped to Qatar, where the sheikh is the owner of a large shopping complex.



Fiona Thomson/Agence France-Presse

France Is on Top Of Dutch Hit List

Reuters

AMSTERDAM — Dutch antipathy toward their German neighbors is notorious, but a recent poll has shown that they like the French even less.

Many observers thought that bitter memories of World War II occupation and intense rivalry on the soccer field had secured Germany's status as least-favored nation here.

But a poll for *De Volkskrant* newspaper revealed that in fact the French were seen as the most arrogant and least democratic of the Netherlands' nearest European neighbors.

The Belgians were the most popular, closely followed by the British, with the French narrowly edging out the Germans for the title of least-loved.

THURSDAY, DECEMBER 28, 1995

EDITORIALS/OPINION

Herald Tribune

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The Islamist Victory

Few countries are as strategically important to American interests around the world as Turkey. During the Cold War, Washington valued its large army and long land frontier with the Soviet Union. Since the Soviet collapse, Turkey's pro-Western leaders have promoted it as a bastion of secular democracy in the Muslim Middle East, a strategic counterweight to Iran. But Turkey, which is a NATO member and aspires to be a member of the European Union, has never quite lived up to its ambitions, or Washington's. It has waged a brutal war against its Kurdish minority and its human rights record is abysmal. Now its secular character is under siege.

The militantly Islamic Welfare Party finished first in Sunday's elections, its strongest showing ever, opening a difficult new phase in Turkish politics. Even though the party drew only 21 percent of a fractured vote, it invokes the Muslim faith professed by 98 percent of Turkey's people. Its success threatens the long-term viability of the secular republic established 72 years ago by Mustafa Kemal Atatürk. The party's gains also threaten Turkey's international and economic policies since the party is hostile to NATO, Europe, Israel and entrepreneurial capitalism.

The party has material as well as spiritual appeal for Turkey's urban poor, its greatest base of strength. In Ankara and Istanbul, both of which it has governed since early last year, the party has offered cheap bread, health clinics and other social services desperately needed by hundreds of thousands of recent migrants from the countryside. These include many Kurds who have fled fierce army repression in their home region. Local governments controlled by the Welfare Party have also closed battered women's shelters and have campaigned against Western-influenced art and culture.

Misery as Propaganda

A study commissioned by the UN Food and Agriculture Organization estimates that a half-million Iraqi children have died because of the international economic sanctions in effect since the end of the Gulf War. To this stunning toll must be added the malnutrition and disease affecting the many others, children and adults, who are still alive. It adds up to a second Gulf war of historic proportions — a war whose immense civilian casualties apparently far most conspicuously upon the young.

But that is not the sum of it. The politically and morally defining feature of this second Gulf war is not the extent of the casualties but that they are being inflicted in what amounts to an undeclared and unequal civil conflict. On one side, fully armed and fully ready to apply its arms, is the regime of Saddam Hussein. On the other, completely disarmed, are its citizens, involuntary recruits in a war that could be recognized as an exercise in savagery on the model that Stalin and Hitler conducted against their people in their time.

Some good-hearted people in the West and some Arab and Islamic sympathizers can regularly be heard calling on the winners of the Gulf War to have a heart

States' Burden

The Republicans say one of their goals in cutting the budget is to transfer power to the states, and so they would. But a recent report on states' finances is a reminder that they would be shifting a major burden as well. It's not clear the states would have the resources to take it on.

Medicaid is at the heart of the federal-state relationship. The federal government now provides more than a fifth of the money state and local governments have available to spend each year. The federal share of Medicaid is more than a third of this, by far the largest share — and Medicaid in turn is easily the fastest-growing major element of state budgets. The recent report by the Center for the Study of the States at the State University of New York says that in fiscal 1990, Medicaid was 9.1 percent of state spending. By 1994 it had reached 12.8 percent, a 40 percent rise.

Some of that increase was the result of accounting games and the states' own doing. Because the feds pay a little more than half of Medicaid costs, the states shifted into the Medicaid program all kinds of services they had provided on their own, including some phantom services whose only purpose was to jack up the federal matching grant. But caseloads and health care costs were rising sharply as well. The Medicaid caseload increase through this period is all that kept the number of uninsured in the country from rising even faster than it did and putting even more pressure on state and local governments and the health care industry to provide so-called uncompensated care.

—THE WASHINGTON POST.

Turkish Elections Complicate U.S. Bosnia Strategy

By Jim Hoagland

WASHINGTON — Bill Clinton and Bob Dole were of course not candidates in the national parliamentary elections in Turkey on Sunday. But the political fates of the president and the Republican front-runner may have been grazed by that distant balloting, in which Islamic fundamentalists scored big gains.

The riotous passes through Bosnia and the gathering struggle between President Clinton and Senator Dole over the training and equipping of the Bosnian Army during the year in which 20,000 U.S. troops are to keep the peace in the Balkans.

Mr. Dole has long favored direct U.S. military logistical help for the Bosnian government. His pressure helped force the administration into a still hazy commitment to arm and train the Bosnian Army to defend itself in the future. Without that commitment to level the battlefield, Mr. Clinton's decision to send troops to Bosnia would not have been politically sustainable in Congress or in public opinion.

But the Pentagon refuses to have American troops provide arms and training while they separate the warring Serbian, Croatian and Muslim forces. Mixing those roles would expose U.S. troops to open Serbian hostility and harm, the Pentagon argues.

Instead, the administration proposes that Turkey manage the train-and-arm effort.

The Dec. 24 Turkish election casts a shadow over that strategy that the Clinton administration would be reckless to ignore. Having displayed boldness in achieving the Dayton accord and deploying American troops into Bosnia over the Christmas season, the administration must now tread warily as it sorts out the role of U.S. troops in Bosnia. So must Mr. Dole.

Turkey's fundamentalists did not win the election. But they got 21 percent, the largest score of any party, and became an important, strongly anti-American force in Turkish politics. Turkey's secular parties expect to form a coalition to keep the fundamentalists out of the government. But the government will now constantly be looking over its shoulder at the Islamists.

It is unclear if the White House ever believed the Turkish option was a real answer to the problems created by the Pentagon's refusal to undertake "arm and train." Turkey was for some a convenient way of promising that somebody else would take care of those problems.

But some senior policymakers have long argued that Turkey is the most important post-Cold War "front-line state" and must be anchored more solidly in the West through expanded military cooperation.

The election returns underline how difficult a task that is. The administration must be careful to avoid trying to "help" Turkey by drawing it more deeply into Bosnia and asking it to take on major responsibilities there. Pursuing those objectives would guarantee "mission creep" of the most disastrous kind — taking on larger, unwelcome political commitments beyond immediate battlefield aims. Mission creep turned Somalia into a political disaster for this administration.

In looking at Bosnia, the Clinton administration must think Europe, not Middle East. Bosnia is not an existential issue for Turkey and the other Islamic countries, their rhetoric to the contrary notwithstanding. It is such a question for Europe, which must be willing and able to take on the dominant security responsibility for Bosnia after the one-year deadline Mr. Clinton has set for the withdrawal of U.S. troops.

Mr. Dole favors the United States' using its troops to arm and train the Bosnians as their primary task, despite the opposition

from the Pentagon and the Europeans. His exit strategy is to bring the Bosnians up to military parity and hope that the Americans, Serbs and Croats after the Americans leave. Politically, Mr. Dole has the better argument, especially in the wake of the Turkish elections. Unilaterally aiding the Bosnians appeals both to logic and honor far more directly than does the unconvincing Clinton effort to subcontract arming and training the Bosnians to the Islamic world while winking at the Serbs.

But Mr. Dole will be vulnerable to criticism if he does push the Pentagon into a mission it opposes and things then go badly in Bosnia. There are risks for him in pushing an activist, committed U.S. role too far, too fast.

The Dayton accord forbids any arms imports into Bosnia for the first 90 days after the Dec. 14 formal signing. Mr. Clinton and Mr. Dole should agree now to use that delay to come to a common understanding on how Americans get out of Bosnia and what follows their exit. Such an understanding could ensure that their political interests, and the U.S. national interest, emerge from Bosnia without unnecessary harm.

Washington Post Writers Group

Israeli-Syrian Talks Seek to Blaze a New Path Around Obstacles

By John Chipman

LONDON — The assassination of Prime Minister Yitzhak Rabin served as a form of shock therapy for President Hafez Assad of Syria. Previously, Israeli leaders' claims that there were no universal domestic support for the exchange of territory for peace were treated as mere negotiating ploys.

But the circumstances of Mr. Rabin's death convinced Mr. Assad that he should, as he told Western leaders in private, approach a renewal of peace discussions with creativity and flexibility.

Sensing his own mortality (his health is not good) and the little time that remains before Israeli elections — which might bring to power a government unwilling to withdraw from the Golan Heights — Mr. Assad has decided to test just how keen the Shimon Peres government is on peace.

The latest round of talks between the two countries, which began Wednesday near Washington, will also test just what initiative and artistry Mr. Assad has allowed his negotiators.

Mr. Peres, on assuming the mantle of prime minister, offered Mr. Assad the negotiating forum of his choice: secret talks, talks between leaders, large or small negotiating teams, talks mediated by the United States or strictly bilateral talks.

This was an offer difficult to refuse. The talks in the United States, which will involve some U.S. mediation, will set the agenda for further discussions and the methods for dealing with the many interlocking issues that a peace treaty between Syria and Israel would entail.

The trick will be finding a format that ensures all major issues can be discussed simultaneously, which would prevent a deadlock

on one issue from blocking discussions on others, and which would build toward a comprehensive agreement that incorporates compromises across issue areas.

In roughly ascending order of negotiating difficulty, there are five major problems to solve.

• The first is the problem of borders. The Israelis are likely to insist that in the event of a full withdrawal from the Golan Heights, the final borders should be the "international borders," a line drawn in 1923 in British-mandated Palestine and slightly different from the 1949 armistice line. The Syrians, for their part, will want to see the borders of June 4, 1967, that is, the area that Syria controlled before Israel occupied the Golan. Israel will in response argue that this border is not really a border because it was never demarcated.

To return to the status quo before the 1967 Six Day War will therefore require detailed discussions on territory, since some of the areas that Syria controlled at the time were gained in skirmishes between the Israelis and the Syrians in the 1950s and 1960s. This is a fact that the Israelis will use, to the annoyance of the Syrians, in claiming that in the spirit of the negotiations, territory gained by the use of force should not count in the claimant's favor.

• For Mr. Assad, the important thing will be the ability to credibly claim that he has "recovered all Syrian territory." For the Israelis, the issue of borders is closely linked to the second problem of water. They will want an arrangement that does not have the Syrians in complete control of the waters of Lake Tiberias (the Sea of Galilee). There is a great Israeli fear, in any case, that whatever the

actual border, the introduction of many more people and animals into an area newly controlled by Syria might lead to the contamination of water or to the Syrians' drawing more than their "fair share." The water issue will therefore also require careful negotiation and perhaps some form of international guarantees.

• The security issue is even more complex. Much attention has been focused on the Israeli demand for an early warning station on the Golan. The previous talks foundered on this point. The Syrians may now accept an early warning station manned by the Americans, though the traditional Israeli fear of mortgaging the country's security to a third power, no matter how close, and an American reluctance to have U.S. soldiers play a trip-wire role may work against this compromise.

More important will be the actual balance of forces agreement. The Israelis will wish to have the Syrians prohibited from deploying close to the Golan and will argue not merely for their redeployment toward the north but for their restructuring, so that they have much less heavy armor that could be moved to the new border. But the Israeli argument that, since the Syrian-Israeli border will be only 3 percent of Syria's frontier and should therefore have a corresponding percentage of Syrian armed forces deployed near it, will fall on unsympathetic ears. The Syrians will be sensitive to the issues of sovereignty involved in an "Israeli-mandated" reconfiguration of their armed forces.

• The pace of an eventual withdrawal may be easier to negotiate. Previously the Syrians seemed to want a full withdrawal within a year. While the Israelis might now agree to a fast withdrawal, a two-

or even a two-and-a-half-year period might be acceptable to Syria, particularly since there is tacit agreement to coordinate the pace of withdrawal with the intensity of normalization. The Syrians are not keen to quickly see an Israeli flag flying in Damascus and hordes of Israeli tourists descending on Aleppo and Palmyra. The Israelis, particularly under their visionary prime minister, would be unhappy with a "cold peace" that gave them no confidence in the new arrangements. Defining normalization will be a heady challenge.

• Ultimately, the most difficult challenge will be bringing the Lebanese into the discussions. The Lebanese, whose foreign policy in the area is but an echo of Syria's, want to see withdrawal of Israeli forces from their land in compliance with UN Resolution 425. Israel will do so only when assured it is free of the risk of Hezbollah attacks. The Syrians are the key to ensuring the eventual disarmament of Hezbollah in return for peace. Syria retains 40,000 troops in Lebanon and a desire to keep the country in its sphere of influence. The principal Israeli requirement is security. Israel may withdraw from the south and accept continued Syrian suzerainty in Lebanon.

But would it be good for Israel to achieve its own security at the price of Lebanese independence? And what would be the value, in security terms, of a deal on the Golan that nevertheless implicitly allowed Syrian unrestricted movement in Lebanon?

This may be the most sensitive element of the negotiations, for Syria sees itself as a major Arab power with interests in Lebanon, and one that has helped to return that country to some measure of normality. Israel will not be able, and may not want, to place too

many conditions on Syria's activity in Lebanon. For these reasons, the Lebanese, who cannot have direct, public negotiations with the Israelis for fear of Syrian censure, are concerned that in the upcoming peace discussions their country will be on the table but not at it.

Syria and Israel have both made a strategic choice for peace. Their negotiations may not be so complex as the ones between Israel and the Palestinians that culminated in the Oslo accords. However, Israel will be involved in "final status" negotiations with the Palestinians by May 1996; the pace of the negotiations with Syria will therefore have to be fast if a Syrian-Israeli accord is not to be horribly enmeshed in the requirements of the intense and sensitive negotiations with the Palestinians.

In the next few weeks, the world will know if President Assad can give his negotiating team the authority and latitude to make a comprehensive peace. He wants a better deal than Egypt got at Camp David and a better deal than the Palestinians got for themselves.

But he needs a team of expert negotiators, and he needs to give them power. If he micromanages the peace, he may not get it and if he makes too much of a virtue of his renowned patience, he may run out of time.

As for Israel, it needs to make the best of the multiple-issue negotiation it has offered the Syrians if this peace, which will require tough compromises, is to be sold to a still skeptical Israeli public.

The writer, director of the International Institute for Strategic Studies, contributed this column to the International Herald Tribune.

How to Succeed in Business: 10 New Year's Resolutions for China

By Gerald Segal

BANGKOK — The year 2000, which is supposed to herald the start of the much-hyped "Pacific Century," is less than 1,500 days away. But as the date approaches, there is concern that it may be more a Sinified Century.

The headhunted business leaders who attended the recent Pacific Rim forum — a prestigious annual gathering of East Asia's business community — want evidence that as China grows strong, it will also grow more sensible.

Businesspeople want to see real evidence that Chinese nationalism will be constrained by economic interdependence. China's behavior in 1995 in Hong Kong, the South China Sea and, especially, in the Taiwan Strait has them worried.

So what resolutions could China make to put hearts at ease in 1996?

First, China could show its willingness to accept the constraints of interdependence by cutting its average tariff level from 36 percent to 15 percent — the norm for developing countries. If they were reinforced with cuts in import quotas, the abolition of tax rebates for exporters and clear movement to World Trade Organization standards for the operation of foreign enterprises in China, then Western businesses and governments would be impressed.

Until Beijing takes such steps, a strong suspicion will remain that China wants entry into the WTO without the constraints of interdependence.

Second, China should abide by economic agreements it has already signed. Continued massive violations of the 1995 intellectual property accord with the United States is likely to lead to retaliation by Washington in 1996. Pirated software sales in China as a percentage of total software sales stand at 98 percent and could at least come down to

Brazil's level of 77 percent. In Britain, the level is 43 percent.

Foreign businesses want to know that China's signature on economic agreements actually means something. There is already much concern that corruption is undermining a virtually nonexistent domestic legal system.

Third, China might finally fulfill its often-stated promise to agree in 1996, leaving China as the last holdout.

Seventh, China might finally agree to play a positive role in international security by beginning to take a major part in UN peacekeeping. The experience of putting its troops under foreign command would be a demonstration of military transparency and help build confidence about Chinese intentions.

Eighth, Beijing could publish its promised "white paper" on defense policy. If the paper were to tell the world something it did not know, or confirmed what are so far only Western guesses about the real level of Chinese defense spending, it would increase China's credibility. The so-called white paper on arms control issued in November by Beijing is merely a compilation of official Chinese news agency handouts.

Ninth, China could accept foreign human rights delegations and allow them to go where they wanted, whenever they wanted. A country with nothing to hide should have no fear.

Tenth, China might stop banning foreign academics who write critical articles. Behaving as if it has something to hide does not suggest the ruling Communist regime has much confidence in itself.

Of course, compared to when the nation started its economic reforms in 1978, China has accepted some constraints of interdependence. Beijing has abandoned support for revolutionary movements, opened its economy to foreigners and foreign trade and signed the Nuclear Nonproliferation Treaty.

But do Chinese leaders really understand that interdependence is not a one-time concession to common sense? It needs to be an ever-increasing commitment to let social, economic and even military policy be set to an important degree in agreement with foreigners.

Thus China needs to realize that even if it met all 10 tests, it would be asked for more. Tariffs and quotas would have to be eliminated so that there could be "free trade" by 2020 as agreed by APEC, the Asia-Pacific Economic Cooperation forum, of which China is a member. Beijing would also be expected to let foreign banks deal in the Chinese cur-

rency. It would have to abide by a much wider range of arms control agreements and accept constraints on its actions that affect the headwaters of the Mekong River, which flows from southern China into Southeast Asia.

By January 1997, if we are lucky, China will have scored at least five out of 10. If the evaluation date is extended to mid-1997, when the Pacific Rim forum next meets in Hong Kong, participants will be able to observe the handover of the tidbits to Chinese rule and make some judgments of their own.

The writer, a senior fellow at the International Institute for Strategic Studies and director of Britain's Pacific Asia Program, contributed this column to the International Herald Tribune.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: Healthy Company

PARIS — A society has been formed with the object of propagating and popularizing the methods of the Pasteur Institute in medical treatment. It is entitled the Société d'Application des Méthodes Pasteuriennes and the articles of association were duly signed on Thursday [Dec. 26]. The objects of the society include the acquisition of numbers 22, 24, 26 and 28 of the rue Dutot with the object of erecting there a hospital where inoculation treatment will be made a specialty. The duration of the society is fixed for 99 years and has a capital of 10,000 francs.

1920: Pastor Punneled

DETROIT — The Reverend Harry G. Miley, pastor of St. Paul's English Evangelical Church, was set upon by a crowd as he left the church yesterday [Dec. 25] with the Communion cups under his arms and started hurrying home,

The crowd mistook him for a thief, and he was sorely beaten before he could reveal his identity.

1945: Assembly Scare

PARIS — The National Constituent Assembly was thoroughly unseated during the course of a heated debate on courtroom reform yesterday [Dec. 27] when a twenty-five-year-old Romanian student leaped from one of the speaker's galleries to the assembly floor brandishing a saber and shouting that he had come to deliver France. Later identified as Vucine Romaine Dominique, he was carried off for a mental examination while excited deputies argued whether he had said that he was a son of Julius Caesar, the Emperor Charles or descendant of Louis the Seventeenth. All were agreed on one point, however. The sword and its brandishing appeared to be very real during the brief departure from Parliamentary procedure.



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OPINION/LETTERS

When Private Conversation Should Remain Private

By Edwin M. Yoder Jr.

WASHINGTON — Just what William Kennedy's now famous notes will reveal about the Whitewater affair is, at this writing, anybody's guess. They may prove to be the biggest bust in disclosure since the Wizard of Oz was unveiled by Dorothy and Toto.

Mr. Kennedy, an associate White House counsel at the time, took these notes at a 1993 meeting which the Clinton administration now describes as a "handover" of the troublesome Whitewater portfolio from White House lawyers to President Bill Clinton's personal lawyers.

Their fame, or infamy, derives from the curiosity of Senators Alfonse D'Amato and Lauch Faircloth, two Republicans who have obsessively pursued the notes in an interminable fishing expedition, saying that they could show that White House aides improperly provided confidential information about two government investigations to those personal lawyers.

The White House denied that, and had refused to turn over the notes, saying they were protected by lawyer-client and executive privileges. But Mr. D'Amato finally shook the papers loose last week by persuading the Senate to threaten Mr. Kennedy with contempt of Congress proceedings.

In at least one respect, the episode is richly instructive. It shows again that the ghosts of Watergate still haunt the impoverished imaginations of small-bore inquisitors like Mr. D'Amato and Mr. Faircloth, and their journalistic allies. At the root of it all is the familiar post-Watergate impulse to criminalize normal politics.

Articles about the notes never explain privilege, which is why a president's aides (lawyers or not) are not free to discuss any political hazard to their boss. As we know, even frivolous and unfounded accusations in the press can hurt presidential effectiveness.

Here, however, the ghosts of Watergate invariably set up a great morning and clanking of chains. In Watergate, there was indeed a huge effort in the White House to corrupt the processes of justice. So far, no evidence has been offered that any of the gatherings in the Clinton White House (such as the one where Mr. Kennedy took the notes) had any such nefarious purpose. Yet imagined parallels persist, even when no one can cite the slightest

resemblance to Richard Nixon's Watergate cover-up.

Beyond that, anyone who dares breathe the word "privilege" in the White House, whether the reference is to ordinary lawyer-client confidentiality or to the more potent "executive privilege," rouses the same ghosts. Not the least of President Nixon's crimes was to pervert useful legal terminology by associating it with the concealment of a corrupt and illegal enterprise.

There was a time before Watergate, however, when citations of privilege were the province of the "executive privilege" was born in the Justice Department in the early 1950s in an effort to combat Senator Joseph R. McCarthy's demagogic disruption of executive department business. The idea was and is to throw a mantle of confidentiality around that business, especially the confidential advice a president seeks from his official counselors.

It would appear from scholarly explorations of the idea by Telford Taylor and Raoul Berger (who calls executive privilege "a constitutionally dubious" privilege) that executive privilege is constitutionally questionable. It has yet to receive judicial approval, save in a few stilted lines by the late Chief Justice Warren Burger when the Supreme Court, saying privilege must yield to the needs of a criminal trial, forced Mr. Nixon to produce the Watergate tapes.

But the notion itself is of immense practical value. Executive confidentiality of a broad character, whatever one calls it, has its place.

Stripped of legalistic fold-out, it is the notion that a president should be encouraged to seek unsparing and candid advice; and it is assumed that the risk of forced disclosure would dampen and discourage that candor.

The chilly, skeptical climate of the White House is well known to encourage slyish deference to presidents and their whims and impulses. Any advice that encourages bracing advice should be welcomed as a contribution to sense and sanity.

Kings had their truth-telling courtiers and popes their private confessors. A president, for the same reason, should have relief from yes men. And he won't have if the likes of Senators D'Amato and Faircloth can poke their noses into every White House conversation.

Washington Post Writers Group.



LETTERS TO THE EDITOR

What the OECD Can Do

Regarding "Together We Need Balanced Counsel to Guide Our Sovereigns" (Opinion, Dec. 20) by Georges Bernholz.

Many people in favor of creating a coordinating forum for market economies or a merger of all "obstacles" international institutions have failed to see that a strong instrument for policy dialogue and coordination already exists: the Organization for Economic Cooperation and Development.

Only the 25-member OECD, with its dialogue with non-member countries and its analytical capacity and expertise, is equipped to be the "gem" of the post-hegemonic system the wise men are seeking.

The OECD is the only relevant economic global body where all the major players can meet in a confidential setting of a "members only" club. It is a network for governments, the business world and academics. Together the OECD and the Group of Seven industrialized nations could play a prominent role in helping the world meet the challenges of the new order.

The OECD can also help national leaders deal with current problems and avoid future ones as well as spur them to coherent discussions on strategic choices. Thus the OECD can promote coordinated long-term decision-making in our capitals —

and encourage nations to learn from one another's mistakes.

PASI RUTANEN,
Paris.

The writer is Finland's ambassador to the OECD.

Preventive Measurements

Regarding "For Preventive Action Against Man-Made Disaster" (Opinion, Dec. 12).

J. Brian Atwood's article makes a powerful case for preventive action to forestall violent and possibly genocidal conflicts. Such preventive action could take the form of development aid to reduce poverty and unemployment and increase access to basic services, measures that are both more humane and cheaper than coping with war. It could have helped in Rwanda, and could still help in Burundi.

But the question Mr. Atwood does not answer is why such an obvious policy of prevention rather than cure is not being followed. However obvious and impressive the case for prevention may be to the professional economist or average person, it still seems far from obvious to our politicians and civil servants.

That is because they are being asked to act before the war has actually happened. If the preventive action is successful, they will be criticized that their action was unnecessary because no war happened.

What we need is objective indicators that quantitatively measure the chances of conflict. Mr. Atwood makes a start in mentioning a correlation between a country's vulnerability to collapse and high infant mortality and other factors. May we hope that Mr. Atwood's organization, the U.S. Agency for International Development, will address itself to this problem?

REGINALD GREEN,
SIR HANS SINGER,
Brighton, England.

Paying for the Rich

Regarding "Inequality, or Just a Competitive Edge?" (Dec. 19) by Reginald Dale.

Mr. Dale misses a salient point when he dismisses advocates of greater income equality as having a "fallacious assumption that when the rich pull more of the blanket over themselves, the poor have less."

American chief executives shower themselves with salary, options and bonuses to larger multiples of companies' average salaries than elsewhere in the world. Despite Mr. Dale's argument, someone has to pay for this largesse: either customers through higher prices (which is uncompetitive) or shareholders through lower corporate earnings and value (which is unsustainable).

DAVID RIVINGTON,
Paris.

Tokyo Christmas, 1945

By Al Rossum

PARIS — An icy wind blew a dust of snow into our frozen faces. The three of us had hitched a ride on a military truck from our base to central Tokyo.

We passed miles of destroyed houses. Jerry-built shacks were rising among the ruins. Fires burned in hibachis, Franklin stoves or open hearths, tended by people wearing

ate at street stalls selling vegetable and rice or noodle dishes, sometimes with fish, but no meat. We were lucky enough to find a merchant who sold us hand-sewn silk clothes, embroidered with dragons, for our families.

We had our portraits painted on silk squares by a street artist. Trouble arose when we discovered that he insisted on giving us blue eyes — the Japanese symbol of the *gaijin*, foreign savages — regardless of our natural color. Only threats of non-payment made him change his mind. I still have the portrait, my brown eyes rimmed and backed with blue.

We saw notices in Japanese and English about a performance of Handel's "Messiah." Fortunately, the theater was nearby, for there were no street signs.

The theater was missing half its roof. Crammed into small seats made for Japanese, bags full of shopping loot in our laps, hunched down in our bulky GI overcoats, our scarves pulled up over our faces, our hats pulled down as far as possible against the cold, we passed around a bottle of "Scotch" as antifreeze. Thus equipped, we enjoyed a concert by a choir made up of Japanese and Americans.

Upon leaving, it was dark as well

A 'Silent Night' in a reawakening land.

as cold. For a few minutes, we were tempted to seek false warmth in the red-lanterned "floating" district, but we finally decided to return to the main railroad station, and home. We were pushed into our train along with a mass of Japanese. Feeling no pain or cold, thanks to whiskey and human warmth, we started singing Christmas carols.

After a few minutes, we were conscious of a gentle tugging at our sleeves. Looking down, we saw three Japanese women, dressed in colorful kimonos.

One said in English: "Please, sirs, may we sing with you? We are Christians and it has been years since we could sing these songs."

And so our day ended with "Silent Night," sung to an astonished and uncomprehending crowd of Japanese travelers by three Japanese women and three American soldiers.

The author, a writer in Paris, contributed this comment to the International Herald Tribune.

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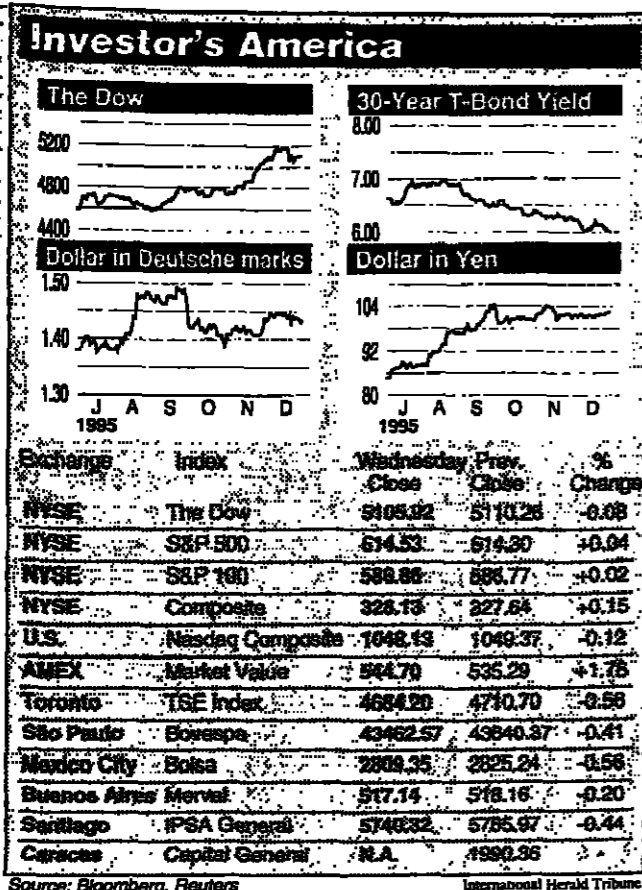
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THE AMERICAS



Very briefly:

Daiwa's N.Y. Branch Chief Indicted

NEW YORK (Bloomberg) — The former general manager of the New York branch of Daiwa Bank Ltd. was indicted Wednesday on charges that he had helped Daiwa trader conceal a \$1.1 billion trading loss from U.S. bank regulators.

The former official, Masahiro Tsuda, was charged with defrauding the U.S. Federal Reserve Board between July and September 1995 and concealing a felony. The losses were incurred by Toshitake Iguchi, a former government-bond trader who previously pleaded guilty to hiding the \$1.1 billion loss from Daiwa executives and from U.S. bank regulators for 12 years. U.S. prosecutors said. If convicted, Mr. Tsuda would face a maximum sentence of eight years in prison and a \$500,000 fine.

•The Federal National Mortgage Association said it would sell \$1 billion of preferred stock to buy back its common shares. The company, known as Fannie Mae, said it has a 4-for-1 stock split to take effect Jan. 12 for shares of record on Jan. 8.

•Spiegel Inc. is eliminating its quarterly dividend of 5 cents a share to dedicate the funds to strategic growth programs.

•Caryle Group Inc. raised its stake in GTS Duratek Inc. by buying 500,000 shares from National Patent Development Corp. Caryle now holds 2.2 million shares in GTS, an environmental services company.

•Peru raised \$1.15 billion in 1995 by privatizing 47 companies.

•Venezuela's gross domestic product rose 2.2 percent this year as an expanding oil industry helped the economy grow for the first time since 1992.

(Reuters, Knight-Ridder, Bloomberg)

'Strange Bed Partners' Plague RJR

By Glenn Collins
New York Times Service

NEW YORK — Each year, groups with a strong social conscience or a pressing policy agenda may ask stockholders of public corporations to vote on resolutions calling for anything from equal employment opportunities in Northern Ireland to the preservation of endangered species.

And each year, dozens of such resolutions are treated with perfunctory courtesy and then soundly defeated. The average entry gathers only 8 percent of shareholder votes.

But this holiday season, the concerns of one group of shareholders identified with religion have inadvertently meshed with the profit-seeking interests of powerful dissident shareholders to put RJR Nabisco Holdings Corp., an \$8.6 billion consumer-products company, on the defensive.

The company has firmly opposed investor calls for an immediate spin-off of its food business from its tobacco operations,

saying that would lead to dire legal liabilities and lower credit ratings.

RJR Nabisco's legal might has been directed against the investors Carl Icahn and Bennett LeBow. They own 13 million shares, or a 4.8 percent stake, in RJR Nabisco and have filed for a consent solicitation that would permit RJR Nabisco's 450,000 shareholders to vote on a spin-off.

Now, the legal thrust has been redirected to oppose new and unlikely barbarians at the gate: two small groups of Roman Catholic priests pushing RJR Nabisco for the same spin-off—who together own 980 shares and belong to a large ecumenical confederation, the Interfaith Center on Corporate Responsibility in New York.

If the LeBow-Icahn proposals do not survive RJR Nabisco's legal challenges, the priests' resolution could provide a clear-cut choice on a spin-off for shareholders at the company's annual meeting in April.

None are more struck by the oddness of the alliance between God and the Mighty Dollar than the allies themselves.

"If a cellist can use the phrase, sometimes you end up with strange bed partners," said the Rev. Michael Crosby of the Interfaith Center, a brother in the Capuchin Franciscan order in Milwaukee who wrote the priests' resolution.

Mr. LeBow, who had not known about the priests' proposal, said with a laugh: "Interest in an immediate spin-off is clearly non-denominational." He added: "We are, however, disturbed that RJR Nabisco keeps going to extraordinary lengths to prevent its shareholders from having a voice."

Last month, the priests asked RJR Nabisco to put their resolution, calling for an immediate spin-off of the food business, on the ballot for the April meeting. RJR Nabisco's lawyers asked the priests to withdraw the measure, then tried to bargain with them. The priests have refused.

Now the company's lawyers are urging the Securities and Exchange Commission to block the priests' resolution, contending that, among other things, it duplicates Mr. LeBow's consent solicitation.

Happy Ending for Hollywood? Not in '95

The Associated Press

LOS ANGELES — A record box-office take. Nearly 1.3 billion North American admissions. Blockbusters such as "Batman Forever" and "Apollo 13." That doesn't sound like a bad year in Hollywood—but it was.

Despite a projected \$5.2 billion gate, the 1995 film season was very disappointing, studio executives say. Time Warner Inc.'s Warner Bros. and Walt Disney Co. enjoyed good returns, but profits were scarce and margins slim elsewhere. This year's movies cost much more to make and distribute than in 1994, and higher ticket

prices did not offset flat admissions.

"We're sort of in a tailspin right now, and it's getting worse," said Tom Stempel, senior vice president of News Corp.'s 20th Century-Fox. After the Christmas weekend, domestic theaters had sold about \$5.15 billion in tickets, Daily Variety reported. At that point in 1994 sales were \$5.11 billion.

The weekend's top-grossing film was "Waiting to Exhale," which earned \$14.1 million. Following were: "Toy Story," \$12.1 million; "Jumanji," \$10.6 million; "Grumpier Old Men," \$7.8 million; and "Heat," \$7.3 million.

Even though 1995 will probably be Hol-

lywood's biggest ever, topping the 1994 mark of \$5.2 billion as calculated by Variety, it did not come cheaply. The 1995 increase of 0.8 percent hardly covered higher production costs. Hollywood spent an estimated 15 percent more this year bringing movies to the screen. Just to break even, films now have to make \$100 million. Ten 1994 releases reached that mark, compared with seven in 1995.

This year's top two movies were "Batman Forever" (\$184 million) and "Apollo 13" (\$172 million). The top two of 1994—"Forrest Gump" and "The Lion King"—each made more than \$300 million.

French Franc Gets Lift From Data, but Labor Concern Looms

Compiled by Our Staff From Dispatches

NEW YORK — The French franc rose Wednesday after a batch of favorable economic news, but the threat of further labor unrest kept gains in check. The statistics office INSEE said household consumption of manufactured goods in France rose 4.4 percent in November from October. Consumption was up 1.4 percent from a year earlier.

French durable-goods orders rose

5.2 percent from October, led by purchases of household electronics and furniture.

The dollar closed in New York at 4.8975 French francs, down from 4.9092 francs Tuesday.

But optimism about the data was tempered by a warning from the leader of the Force Ouvrière union that France could face a new wave of strikes early next year.

French durable-goods orders rose

weeks of crippling strikes starting in late November, and analysts expect

economic data for December to reflect

slow growth because of the labor unrest and related disruptions.

Meanwhile, the dollar edged up as investors hoped President Bill Clinton and Congress would soon end their budget standoff.

"The mood is that when you walk into the new year they may have something accomplished," said Steven Saslow at HSBC Securities in New York.

But not everyone was optimistic that a budget accord could be reached by year-end.

"The longer it takes, the more we'll worry about it," a dealer said. The U.S. currency rose to 1.4335 Deutsche marks from 1.4305 DM on

Tuesday, to 1.1570 Swiss francs from 1.1540 francs and to 102.83 yen from 102.33 yen. The pound was steady at \$1.5607.

The dollar was lifted against the yen by signs of strength in Japan's economy, which could translate into increased imports, heavier capital outflows and a lower trade surplus with the United States. It also could drive investors from Japanese bonds.

(Knight-Ridder, APX, Bloomberg)

WORLD STOCK MARKETS

Wednesday, Dec. 27

Prices in local currencies.

Telecom

High Low Close Prev.

Amsterdam

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Collapse of a Privatization

Russia Insists STET Talks Are 'Closed'

But STET said Friday that it was putting the \$640 million into an escrow account until Russia could provide it with assurances about Svyaz-

Russian unit of US West Inc. The company denied reports suggesting it had been scared away by the success of the Communist Party in Russia's recent general election.

industry, which has returned to a profit this year, is girding for a downturn in 1997 as it prepares for deregulation

75-year history for the first half of 1995, a deficit of 651 million guilders (\$406 million), and has since asked

in 1988, largely by selling its Rover automobile unit to Bay-

Aerospatiale also is not expected to make a profit in 1995. Although its chief ex-

	Class	Close	Change
Amsterdam EOE	485.02	481.52	+0.73

- **Colonia Konzern AG's** net profit for 1995 is expected to again rise about 18 percent, lifted by growth in premium income. The

Mr. Werner said the strong Deutsche mark had cost the company more than 1 billion DM, but he said cost-cutting had

Republic Bank of New York.

2 percent Wednesday as investors cheered the construction company's agreement with its creditors that would allow the

accord reached with
creditors, including
American and Ban

MARKET DIARY INTERNATIONAL FUTURES

Finance Minister Masayoshi
Takemura of Japan had said the
ministers would probably meet

the place and date but gave no details about the agenda. Finance Minister Masayoshi Takemura of Japan had said the

[illegible]

NYSE

Wednesday's 4 p.m. Close

National prices, not reflecting late trades elsewhere. The Associated Press.

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Table with multiple columns containing financial data, likely stock prices and market indices, organized in a grid format.

MORE or LESS



Expandable Memory and Paper Capacity

Panafax UF-744

LASER PRINTING

Panasonic

PLAIN PAPER FAX

Table with multiple columns containing financial data, likely stock prices and market indices, organized in a grid format.

Main body of the newspaper page containing several columns of news articles and reports.

Philippine Goes Jet

Airbus and for \$2.7 Bil

PARAN

SALTO CAXIAS POWER STATION

INTERNATIONAL GAS INSULATION CALL

COMPANHIA PAR

ASIA/PACIFIC

Philippine Airlines Goes Jet Shopping

Airbus and Boeing Picked For \$2.7 Billion Outlay

Bloomberg Business News
MANILA — Philippine Airlines Inc. will spend \$2.7 billion to buy aircraft from Boeing Co. and Airbus Industrie over the next three years, a company official said Wednesday.

With its boardroom wrangle almost settled, the airline plans to buy eight 747-400s, Boeing's biggest long-distance jet, its chief financial officer, Jaime Bautista, said.

The Philippine flag carrier also said it would buy four A340-300s, eight A330-300s and 12 A320s from Airbus Industrie.

The purchases are part of a plan to expand and return the airline to profitability after Chairman Lucio Tan hammered out an agreement with the government last week to gain majority ownership of the airline.

"The chairman believes this is the only way for PAL to compete with the megacarriers and to be able to cope with the demanding market," Mr. Bautista said.

With repairs and service, he said, the cost of the fleet renewal will rise to \$3 billion.

While Mr. Bautista refused to say how much Boeing and Airbus each would receive, Boeing 747-400s cost about \$150 million each.

The order strengthens Airbus's backlog at the end of a year in which the European consortium sold few of its A340 and A330 jets in competition with Boeing's new 777 jetliner. The big loser in the order was McDonnell Douglas Corp.

"Every order is becoming very important," said Nick Cunningham, an analyst with Barclays de Zoete Wedd.

Mr. Bautista said the purchases hinged on completion of the agreement with government institutions that own a combined 48 percent of the airline to reduce their stakes. "I don't even want to think of this agreement not pushing through," he said. "We have already discussed with Airbus and Boeing the delivery schedule."

Under the ownership agreement, Mr. Tan would remain in command by subscribing to a proposed doubling of the airline's capital to 10 billion pesos (\$381 million). The government institutions have agreed to waive their rights to the new shares.

Mr. Bautista said the capital increase would be used to help pay for the new jets.

During a three-year ownership battle, Mr. Tan frequently feuded with minority shareholders over his plans to update and expand the fleet.

Mr. Tan has controlled PAL through his 51 percent ownership of PR Holdings Inc., the company that was the bidding for 67 percent of the formerly state-owned airline in 1991.

PAL had a loss of 1.7 billion pesos in the year ended in March and has projected a loss of 1.5 billion pesos for the current financial year.

Delay in Partner Choice
Aviation Industries of China has postponed until March the naming of a Western partner in the Chinese-South Korean venture to build a 100-seat passenger aircraft, Reuters reported from Beijing.

The company had been due to announce its choice by the end of the year.

Taiwan Beams Optimism

Reuters
TAIPEI — Two years ago, law-abiding television viewers in Taiwan had a choice of three channels — state television, state television and state television.

Now, some 200 private cable operators are bringing a visual cornucopia to Taiwan's homes, attracted by a populace mad about television and the prospect of expanding from this island into neighboring China's vast market.

Foreigners are barred from owning more than 20 percent of any local cable operator, but proposed legislation is expected to allow them into the island's satellite-TV market, officials said.

"This is a very, very big pie," said Ding Nai-chu, vice president of the private Super TV. "The market is huge and has a lot of potential."

In surveys, more than 70 percent of Taiwan residents list watching television as their favorite pastime, and Ms. Ding said about 20 billion new Taiwan dollars (\$732.9 million) was spent on television advertising last year.

Ms. Ding's company, set up in October, symbolizes a move in the television industry away from the fly-by-night operators who used to illegally wire homes to receive a cable service of pirated videos.

Capitalized at 775 million dollars, Super TV is a giant in an infant industry and is considering a foreign partnership as a way to bolster its capital further.

"We are very ambitious," Ms. Ding said. "We have invested a lot of money in equipment and personnel."

"But I am quite confident that the investment will eventually pay off," she added.

Super TV plans soon to about double its capitalization, she said, and negotiations are

under way with many foreign companies. She declined to identify any of the interested foreign investors.

"Many foreign funds see Asia's newly emerging electronic media as a new channel of investment," she said. "A lot of major foreign firms have shown a high interest in Super TV. Our eventual goal is to aim at the entire Chinese market. Just close your eyes and think of how vast the mainland market is. I am very bullish."

The common language and heritage of China and Taiwan allow popular culture to transcend political differences, and Taiwan soap operas are among the most popular imports in China's market of 1.2 billion people.

The melodramatic tale "Cousin Wan Jun," which traces the love of three brothers for their alluring but confused cousin, is just one hit to have straddled the Taiwan Strait.

Although Taiwan's television products can be sold on the mainland, its broadcasters are still barred. Political tensions will have to ease before Beijing opens up, analysts said.

Betting on long-term potential, though, several Taiwan conglomerates and the governing Nationalist Party have set up their own channels. But for foreigners interested in Taiwan's market of 4 million cable households or in finding a conduit to the mainland market, legislative barriers remain.

A draft law that would allow foreign satellite broadcast companies to set up in Taiwan has been passed by the cabinet but still needs parliamentary approval, and officials said they did not know when Parliament would act.

The law restricting foreigners to a 20 percent stake in local cable television operators, however, is not up for review.

Taipei Bank Eases Rules on Funds

Bloomberg Business News
TAIPEI — The central bank announced steps Wednesday to liberalize Taiwan's financial system.

As of Monday, the bank will abolish a \$3 billion ceiling on the total amount of funds raised abroad that domestic companies can bring into the country and allow foreign stock investors to take money out of Taiwan without seeking government consent.

The bank also said it would double, to the equivalent of \$20 million a year, the amount of

new Taiwan dollars that businesses can take out of the country freely.

The liberalizations came as Taiwan's index of leading economic indicators fell 0.5 percent in November from October, the seventh decline in the past eight months, the government said in a preliminary report.

Slower growth in stock prices, the money supply and export shipments plus a decline in applications for building permits in Taipei were the reasons, according to the Council for Economic Planning and Development.

Debts Drive China Firm To Merger

Reuters
SHANGHAI — China's top securities house will merge with three other companies after incurring huge debts in bond futures trading, traders said Wednesday.

The move could herald a wave of similar mergers and acquisitions as a prolonged slump in China's two fledgling stock markets takes its toll on securities houses, industry analysts said.

Shanghai International Securities is to be merged soon with Shanghai Finance Securities, Shanghai Pudong Development Securities Co. and Shanghai International Trust & Investment Co., traders said.

The resulting entity will be called Shanghai New Securities Co., they said.

Securities authorities have agreed to the plan, the sources said, and a formal announcement is expected shortly.

"This is a real hit but was to be expected," one trader with Shanghai-based Guotai Securities said.


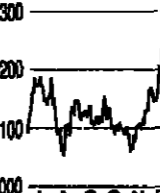
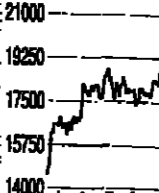
Analysts said many securities houses had run into trouble after the Shanghai and Shenzhen stock markets plunged in mid-1994 and that mergers were being accepted as a solution to some of their problems.

Beijing has tightened control over new issues and listings, resulting in loss of business for many securities firms.

The hard-currency B share markets in Shanghai and Shenzhen have fallen to record lows in the past week, while domestic A shares have hovered near six-month lows.

But the B share index rose Wednesday on bargain-hunting after several days losses, brokers said. It gained 1.1 percent, to 47.769 points.

Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225		
				
J A S O N D 1995	J A S O N D 1995	J A S O N D 1995		
Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	9517.20	9462.20	+0.58
Singapore	Straits Times	2271.35	2276.66	-0.24
Sydney	AI/Ordinaries	2281.10	2286.60	-0.25
Tokyo	Nikkei 225	19250.78	19390.72	-0.74
Kuala Lumpur	Composite	288.13	288.43	-0.04
Bangkok	SET	1274.14	1273.84	+0.02
Seoul	Composite Index	882.84	878.37	+0.73
Taipei	Stock Market Index	4776.9	4785.37	-0.66
Manila	PSE	2281.10	2286.60	-0.25
Jakarta	Composite Index	512.27	513.65	-0.54
Wellington	NZSE-50	1135.17	1132.96	+0.21
Bombay	Sensitive Index	3410.40		

Source: Reuters International Herald Tribune

Very briefly:

- South Korea will allow foreign companies to list their shares in the form of depositary receipts on the Korean Stock Exchange starting in May, the Finance Ministry said.
- Samsung Electronics Co. forecast sales of \$27 billion for 1996, up 29 percent from an estimated \$21 billion for 1995.
- Tenaga Nasional Bhd. expects Kuala Lumpur to rule in the first quarter of 1996 on the power producer's application for a rate increase, its chairman said.
- Chinese work units and owners of private enterprises must report employees' total monthly income to tax authorities in the new year, the State General Administration of Taxation said.
- ITC Ltd.'s chairman, Yogesh Deshpande, plans a "healing" dialogue with the company's British shareholder, BAT Industries PLC. Mr. Deshpande was elected over BAT's opposition.
- Yamaha Motor Co. formed a joint venture to produce and market motorcycles in Thailand with Siam Yamaha Co.
- Sharp Corp. established a fully owned subsidiary, Sharp Electronics Malaysia, in Selangor to supply parts for production and repair to Sharp manufacturing bases worldwide.
- NEC Corp. will increase production of mobile phones for overseas sale in the year to March 1997 at its plants in Britain, Mexico, Australia and China.

ENRON: Customers Wanted for African Gas Deal

Continued from Page 9

bique, as it stepped on the toes of South African companies to obtain the right to build the pipeline.

One potential buyer, Eskom Ltd., the South African electric utility, has said the price being sought for the gas is too high. Another possible customer, Sasol Ltd., a coal-to-oil processing company, is still stinging from having lost its bid to build the pipeline before Enron arrived on the scene in late 1994.

Without sales contracts, Enron will not be able to attract the \$600 million in financing to build the pipeline, World Bank officials say.

Enron executives say they have high hopes of finding a buyer among South Africa's mining and steel companies, which could use the gas for mining operations.

Joseph W. Sutton, president of Enron Development, a subsidiary, said the talks were still in a preliminary stage.

"We are hopeful," he said. "This is very early in the development stages of this project."

The pipeline project is Enron's first foray into Africa. The company is the largest supplier of natural gas in the world, with 44,000 miles of pipelines in South America and the United States, and in recent years it has

tried aggressively to break into new markets in the Third World.

Gulf Oil Co. discovered the Pande field in Mozambique in 1961 while drilling an exploratory well in Inhambane Province. The field measures 12 miles by 15 miles and has reserves of about 2 trillion cubic feet (60 billion cubic meters). The Mozambican energy company, Empresa Nacional de Hidrocarbonetos, has exclusive rights to develop it.

But 20 years of civil war in Mozambique hindered development. That changed when a peace treaty was signed in 1992. President Joaquim A. Chissano has been seeking to increase exports, which total only about \$300 million a year, mostly shrimp and cashew nuts. The Enron deal is one such effort.

Although the terms of the joint venture are confidential, officials with knowledge of the details say Enron controls a majority of the shares.

After Enron pays taxes, however, the government will end up with about half the revenue — an expected \$140 million to \$200 million a year.

But in August, a tentative deal between Enron and Mozambique began to unravel, a U.S. official said. American diplomats in Maputo tried to salvage it, and several U.S. senators and W. Anthony Lake, the

president's national security advisor, wrote to Maputo.

Then the World Bank stepped in, concluding that Maputo was accepting too much risk. The deal was renegotiated and signed in November.

But Mozambican officials then caused a minor political controversy by complaining about the U.S. diplomats' role in the talks.

India Unsure on Deal

The cabinet of Maharashtra was continuing to discuss whether to revive Enron's power project there, the head of the state government said Wednesday, according to a Bloomberg Business News report from Bombay.

Chief Minister Manohar Joshi said a decision would be made by Jan. 15, the date lawyers are set to resume discussions on compensation for the project's cancellation. Enron has already agreed to new terms for the project.

Bal Thackeray, the leader of the Shiv Sena party that heads the government, earlier said the government had made a decision. He is demanding further concessions from the company.

BREW: Tsingtao's Falling Profit and Derailed Expansion Plans Leave Investors Bitter

Continued from Page 9

hit by unexpected tax increases, and still others were simply priced badly. But the main problem is that it has gradually dawned on investors that they understand little about how Chinese companies are run. When they do get a peek inside, they do not like what they see.

Tsingtao is a prime example. It has been making beer since the Germans opened the brewery in 1903, when they colonized a section of the Shandong peninsula. As it earned a reputation for making the best beer in China, Tsingtao gained a robust 70 percent of China's beer export market.

When the company announced plans to list shares in Hong Kong, Tsingtao executives boldly proclaimed plans to dominate China's fragmented beer market, in which more than 800 breweries compete.

The response was overwhelming, and the initial offering was so oversubscribed — more than 100 times — that few investors could get in.

After Tsingtao was listed at 36 cents a share, it climbed to \$1.40, a towering 98 times ear-

nings, in 1994. Anheuser-Busch Cos., the American beer giant, bought a 5 percent stake.

But bad news began emerging about Tsingtao in the middle of this year.

Profit in the first half fell 49 percent, as prices of raw materials surged but competition prevented Tsingtao from charging more for its beer. More troubling, analysts looking over the company's vague annual report discovered that Tsingtao's managers had taken nearly half of the \$190 million from their share issue and, rather than investing it in plant expansion — as had been promised in a prospectus — lent it to other Chinese companies that Tsingtao refuses to identify.

With its new capital thus mysteriously tied up, Tsingtao had to scale back expansion plans and halve projected growth in beer production, which is now at about 3 million barrels a year. Worse, it remains unclear how much of Tsingtao's loans will be repaid: China's state-owned enterprises are famous for losing money and remaining immune to demands for repayment.

Tsingtao executives brush

away questions about their unorthodox lending.

"I don't see what the fuss is about," said Qiao Qijian, a senior executive at Tsingtao. "Many investors from Hong Kong are concerned. But when they come to visit, they can see that everything is going fine."

Mr. Qiao said Tsingtao had been unable to invest its newly raised capital immediately because of shifting policy in Beijing and had to delay its planning throughout 1994 until a meeting was held in February 1995.

At that time, Beijing officials informed company executives about the need to shift China's alcohol consumption away from the traditional favorite, grain alcohol, because of a growing shortage of grain. That meant beer and wine production was to be encouraged, which sounded good for Tsingtao. Yet the fact that a leading beer company's expansion was dictated by a government meeting, itself most concerned with the politics of grain production, was an indication of the way the emphasis remained on government planning rather than on market demand.

Moreover, Mr. Qiao conceded,

the financing of increased beer production had not even been discussed at the meeting.

Some found that short-sighted, with China's beer market entering an intensely competitive stage and foreign breweries marching into China almost daily. Asahi and Kirin of Japan and Foster's of Australia recently announced plans to expand, and Beck's of Germany and Pabst of the United States are already making beer in China.

(Suntory Ltd. will launch a joint venture in Shanghai in January to expand its beer business in China. The Asian Wall Street Journal reported.)

Talks between Anheuser-

Busch and Tsingtao about expanding the U.S. company's stake to 15 percent or more went sour. Anheuser-Busch executives have told colleagues at other beer companies that the deeper they looked into Tsingtao, the more pessimistic they became about the company's ability to expand its market share.

While Tsingtao is one of China's largest breweries and clearly its best-known, it has just 2.2 percent of the domestic market. Although its 70 percent share of China's beer exports sounds good, that accounts for just 10 percent of Tsingtao's overall sales.

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NYSE

Wednesday's 4 p.m. Close
(Continued)

High	Low	Open	Close	Volume
110.00	109.00	109.50	109.00	1,200,000
105.00	104.00	104.50	104.00	800,000
100.00	99.00	99.50	99.00	600,000
95.00	94.00	94.50	94.00	500,000
90.00	89.00	89.50	89.00	400,000
85.00	84.00	84.50	84.00	300,000
80.00	79.00	79.50	79.00	200,000
75.00	74.00	74.50	74.00	150,000
70.00	69.00	69.50	69.00	100,000
65.00	64.00	64.50	64.00	80,000
60.00	59.00	59.50	59.00	60,000
55.00	54.00	54.50	54.00	40,000
50.00	49.00	49.50	49.00	30,000
45.00	44.00	44.50	44.00	20,000
40.00	39.00	39.50	39.00	15,000
35.00	34.00	34.50	34.00	10,000
30.00	29.00	29.50	29.00	8,000
25.00	24.00	24.50	24.00	6,000
20.00	19.00	19.50	19.00	4,000
15.00	14.00	14.50	14.00	3,000
10.00	9.00	9.50	9.00	2,000
5.00	4.00	4.50	4.00	1,000

Market activity continued with significant volatility in the technology sector. Major indices showed mixed performance, with the Dow Jones Industrial Average ending the session down. Analysts note that the market is reacting to a combination of factors, including corporate earnings reports and broader economic concerns. The volume of trading remained high, particularly in the first half of the session.

Investors are closely watching for signs of a market recovery, with many focusing on the performance of key sectors like healthcare and consumer goods. The Federal Reserve's stance on interest rates remains a critical factor in market sentiment. Analysts predict that the market may find temporary relief, but long-term stability will depend on continued economic growth and stable corporate earnings.

The session was characterized by sharp price swings, with several major stocks experiencing significant price changes. Market participants are increasingly turning to derivatives and other financial instruments to hedge their positions. The overall mood is one of cautious optimism, as investors await further guidance from regulatory bodies and corporate leaders.

Global markets also showed signs of movement, with international indices reflecting the domestic market's volatility. Analysts are monitoring the impact of international trade agreements and global economic trends. The market's response to these external factors will be a key indicator of its future performance.

The closing bell rang with a sense of uncertainty, as investors weighed the day's events. The market's performance was a mix of gains and losses, reflecting the complex interplay of various factors. Analysts expect a period of consolidation in the near future, as the market digests the day's information.

Market participants are looking ahead to the upcoming week, with several key events on the horizon. The market's ability to maintain its current trajectory will be a critical test of its resilience.

NASDAQ

Wednesday's 4 p.m. Close
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

High	Low	Open	Close	Volume
110.00	109.00	109.50	109.00	1,200,000
105.00	104.00	104.50	104.00	800,000
100.00	99.00	99.50	99.00	600,000
95.00	94.00	94.50	94.00	500,000
90.00	89.00	89.50	89.00	400,000
85.00	84.00	84.50	84.00	300,000
80.00	79.00	79.50	79.00	200,000
75.00	74.00	74.50	74.00	150,000
70.00	69.00	69.50	69.00	100,000
65.00	64.00	64.50	64.00	80,000
60.00	59.00	59.50	59.00	60,000
55.00	54.00	54.50	54.00	40,000
50.00	49.00	49.50	49.00	30,000
45.00	44.00	44.50	44.00	20,000
40.00	39.00	39.50	39.00	15,000
35.00	34.00	34.50	34.00	10,000
30.00	29.00	29.50	29.00	8,000
25.00	24.00	24.50	24.00	6,000
20.00	19.00	19.50	19.00	4,000
15.00	14.00	14.50	14.00	3,000
10.00	9.00	9.50	9.00	2,000
5.00	4.00	4.50	4.00	1,000

The NASDAQ market saw a range of activity, with technology stocks leading the way. Investors are particularly interested in the performance of high-growth companies. The market's response to recent news and economic data will be a key focus for analysts.

Market participants are looking for signs of a market recovery, with many focusing on the performance of key sectors like healthcare and consumer goods. The Federal Reserve's stance on interest rates remains a critical factor in market sentiment.

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Market participants are looking ahead to the upcoming week, with several key events on the horizon. The market's ability to maintain its current trajectory will be a critical test of its resilience.

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WORLD ROUNDUP



Buddy Ryan taking field Monday for his last game as Arizona coach.

Cardinals Fire Ryan

FOOTBALL The Arizona Cardinals coach, Buddy Ryan, whose team wrapped up a miserable 4-12 season with a 37-13 loss Monday to Dallas, was fired by Bill Bidwill, the team's owner. Bidwill said he hadn't thought about dismissing Ryan until he watched the Cardinals against the Cowboys. Ryan, also the general manager, had two years left on his contract. He was 12-30 in two years with Arizona after going 43-35-1 in five years with Philadelphia. (AP)

• The current Eagles coach, Ray Rhodes, was voted coach of the year in his first season as an NFL head coach. Rhodes, formerly the defensive coordinator for San Francisco, took a team that lost its final seven games in 1994 and compiled a 10-6 record. Rhodes received 24 votes in balloting by The Associated Press to edge Don Capers of Carolina and Marty Schottenheimer of Kansas City, with 21 each. (AP)

Sports' Most Powerful Man

Rupert Murdoch, owner of the Fox Television Network and newspapers and television stations around the world, heads The Sporting News' list of the 100 most powerful people in sports for the second straight year.

"Rupert Murdoch is transforming the way sports are seen around the globe," said John Rawlings, the editor of The Sporting News. "In just two years, Murdoch has built a Fox Sports programming arsenal that includes the NFL and major league baseball, the NHL, boxing and the perennially high-ratings sport of figure skating."

NBC television's president, Dick Ebersol, was second, with Nike's chairman, Phil Knight, third. (AP)

Orioles Trade for Wells

BASEBALL The Baltimore Orioles obtained David Wells, a left-handed pitcher, from the Cincinnati Reds for two outfielders, Curtis Goodwin and Trovian Valdez. Wells, 32, was 16-8 with Detroit and the Reds last season.

• The Chicago Cubs signed free-agent third baseman Dave Magadan to a one-year contract. Magadan, 33, hit .313 for Houston last season. (AP)

No Football for Snowballs

FOOTBALL The New York Giants said 75 season-ticket subscriptions will be canceled because of a snowball barrage during the Giants-San Diego game that left 15 injured and nearly resulted in the first forfeit in NFL history. Fifteen people were arrested and 175 were ejected. (AP)

Basketball's Biggest Kid Enjoys Life in a Candy Store

By William Gildea
Washington Post Service

ON AN unpromising bitter March morning in 1985, Maria Muresan and her 14-year-old son, Gheorghe, boarded a transit bus in the rural Romanian town of Tretenii. The diminutive woman and her tall son — he was 6 feet 8 — were bound for the university city of Cluj, some 25 miles distant. She was taking her youngest of six for a routine dental checkup.

"We need some X-rays," the dentist said. "Your teeth have not grown as fast as the rest of you." When the boy walked into an adjoining room, a startled dental technician looked up in amazement and could hardly get his questions out fast enough: "Where are you from? You are a big guy. How old are you? How tall are you? Do you play basketball?"

The man was shocked that Gheorghe was only 14. No, he had never played basketball. Only soccer. "I have very close friends. They teach basketball. They have a team," the man told Gheorghe. "I will call them." He called, and took Gheorghe to meet them. "Maybe I won't like this," Gheorghe told the coaches. But they persuaded him — and he stayed.

"I move to Cluj," he recalled recently, in his improving English. It took the coaches a month, but they found him a pair of basketball shoes large enough. "They help me a lot. They put me in school. They give me a place to live. They give me food. Every day, 7 to 8:30 P.M., I practice. I say, 'O.K. O.K. I like it.'"

Muresan kept growing, and his game kept improving, especially his shooting and passing. Eventually he moved from his high school and club teams to the Cluj University club team, then to Pau Orthez of the French league. In June 1993, the Washington Bullets selected him in the second round of the National Basketball Association draft, the 30th pick overall. Muresan wasn't remotely a conventional draft choice. Almost immediately, he underwent surgery in France for an overactive pituitary gland, which accounted for his height — 7 feet 7 (2.3 meters). That's taller than anyone who has ever played in the NBA.

A benign tumor on his pituitary gland had grown so large that it intruded on his optic nerve and imperiled his sight; the surgery eliminated most of the tumor. He then was put on daily injections, which he still takes. The Bullets expected him to stay in France, enjoy perhaps the pleasures of Provence as he recovered, touch up his game for one more season in the French league. But Gheorghe, who does most things at a leisurely pace, surprised them. He promptly landed in America and declared himself ready to play. That, the Bullets have learned, is how it is sometimes with Gheorghe. Ask for the salt, he passes the pepper.

The Bullets didn't expect him to improve from raw project to potential stand-out in fewer than 2½ seasons. He surprised them again, becoming at age 24 one of the most accurate field-goal shooters in the league. He collected 18 points and 17 rebounds in Portland during the team's just-concluded West Coast trip.

When Muresan first arrived he faced one daunting problem after another. The death of his mother. A bout with chicken pox. Passing his driver's test while barely able to read English; then losing his way on the roads.

"At first I say I cannot drive in the United States — everything is too big," he said. "There are so many streets, so many bridges. I can't remember. Now I know the route."

"He was in total darkness for so many months," said Sandra Calinescu, a friend who also was born in Romania. "But he's much more at ease now. Lili copes with reality here very well. She's really a big support for Gheorghe."

That's Gheorghe's nickname, pronounced "GEET-zz." Lili is the former

Liliana Lazar, a Romanian whom Gheorghe met in Cluj and married at the courthouse in Arlington, Virginia.

One recent afternoon, Gheorghe hurried home to Liliana after a Bullets practice. He had on his usual garb: a Redskins leather jacket and gray sweat pants. He drove a creamy Cadillac sedan — his wife's car; his is a Chevy Blazer. His knees jut so high they almost cradle the steering wheel.

Gheorghe needs headroom as well as legroom: he's a well-proportioned 310 pounds (140 kilograms), and there's great distance from his waist to the top of his crewcut.

The previous day he had shaved off a scraggly growth of beard because he said, rubbing his smooth chin, flashing a smile, "I want to look young."

His teammate Calbert Cheaney found that Muresan's freshly shaven look accentuated Gheorghe's nose and kept laughing and trying to leap up and grab it during a lull in practice. Likewise laughing, Gheorghe swatted Cheaney's hand away like an opponent's shot. "Everybody loves Gheorghe," said another teammate, Jim McIlvaine. "The world is one big candy store and Gheorghe is the biggest kid."

Liliana, who is 6-1, greeted him in a high-ceilinged hallway. Their living room is as yet unfurnished, totally empty except for one picture hung on a wall: the couple on their wedding day, Dec. 28, 1993. They spend much of their time in a large family room, with large leather chairs, large sofa, large TV.

Gheorghe opened a high kitchen cupboard that most people would have to stand on tip-toe or a chair to reach. Gheorghe, who can change most ceiling light bulbs at eye level, simply reached straight into the cupboard and pulled out a glass. Then he sat down to eat some chicken. As he ate, he talked about how far basketball had taken him from his northern Romanian homeland of Transylvania.

"Sometimes I miss my Tretenii," he said wistfully, holding a chicken leg in his immense hand. "Some mornings I wake up, I remember something. Going to school. I remember the kids. Sometimes soccer. Every day I think of something different. I play teacher. I look for truck drivers. I want to be a truck driver."

Life was a struggle in rural Romania. Gheorghe's father, Ispas, worked in a factory that produced wiring for electricity. The Muresans' stucco house had no electricity, but it did have four bedrooms and Gheorghe was able to move from the smallest room to a larger one after an older brother had moved out. Gheorghe did not like school.

His fond memories are of his years in Cluj. He is Cluj's boy, renowned for leading Romania in the 1991 Junior World Championships and playing for the national team in 1992, when he scored 42 points in a victory over Sweden. "I feel very, very good in Cluj," he said.

Where in the world would he like to live?

His face parted in a wide smile. "Monte Carlo," he said, eyebrows raised.

He had no trouble adjusting to life in France, beginning in the summer of 1992. "The French people are very close to the



Gheorghe Muresan, the Washington Bullets' 7-foot-7-inch Romanian center, grabbing a rebound and keeping the ball away from Bo Outlaw, the Clippers' center, who is just 6 feet 8.

Romanian people — they are Latin people," he said. "I feel very, very good in France."

Pierre Seillant, the president of the Pau team, decided to sign Gheorghe to a pro contract after Pau and Cluj had played. "The president" — as Gheorghe calls Seillant — "say, 'We do everything we can to have him.' We still are very good friends. The president is coming in February, for a long weekend, to see me."

Two agents for ProServ, Kenny Grant and Bill Sweek, pursued Muresan. "I saw him on French TV and I couldn't believe it — he was huge," said Sweek. "And the other thing I couldn't believe, he had this velvet touch. I just thought, if people could get beyond the way he looks, he had a chance."

"The key was a Romanian player on the Pau team who translated. Mihai Pulbere. We didn't know Gheorghe and Gheorghe trusted Mihai. He was Gheorghe's confidant, his adviser. In France, Gheorghe averaged 18.7 points, 10.3 rebounds, 2.8 blocks. I drove him around Paris and the

things in Paris he hadn't seen were the big beds. He wanted to stop and see the beds in the stores."

The Portland Trail Blazers was the NBA team most interested in him and had him flown in from Europe for tests. The Chicago Bulls also were interested.

"I never heard from the Bullets until the morning of the draft," Sweek said.

John Nash, the Bullets' general manager called. He had seen a tape of Muresan. He had seen photos of Muresan in such European publications as "Gigantes del Basket" and "Maxi Basket" — including an eye-catching picture of Gheorghe standing next to a life-size cutout of Michael Jordan, totally overshadowing Jordan.

"My immediate reaction was, 'Who is this?'" Nash said. After the Bullets drafted him, Gheorghe peered into the TV cameras and said in English the words Sweek had taught him: "I love this game."

The Bullets brought Gheorghe along slowly, giving him a seat on their bench, and providing him with an interpreter for two years, Greg Ghyka.

There's an unwritten rule among some Bullets: Don't split a dinner check with Gheorghe.

"The guy can eat," Ghyka said. "If he's really hungry he might have two entrees. And the waiter might question who we're expecting if we're just two people eating at the table."

Playing against Muresan can be an ordeal. During a game against the Cleveland Cavaliers, Muresan (who wears number 77 because he's 7 feet 7) and John Amaechi pounded on one another repeatedly to gain position. At 6-10, Amaechi looked short next to Muresan. After the game, he also looked weary.

"If you don't hit him, he'll post up so low to the basket it'll be a joke," Amaechi said. "He can do some damage down low with his accuracy. If you don't hit this guy, it's all over. Luckily, I have 270 pounds on my side."

The Bullets' coach, Jim Lynnam, had his doubts about Muresan when he was a rookie and Lynnam was still in Philadelphia as general manager of the 76ers. But Gheorghe has surprised the Bullets' coach the past two seasons. Lynnam praised Muresan's improved stamina, lateral movement and ability to get up and down the court. Slow as he looks, Muresan is faster than he used to be. Lynnam credits the Bullets' strength and conditioning coach, Dennis Householder, who in turn praised Gheorghe's willingness to work.

In scoring and rebounding, Gheorghe is putting up numbers the way he did in the French league. Will Gheorghe ever jump higher?

"No," said Lynnam. "Although he's no 7-footer. He's a 7-7 footer."

So what does Big Gheorghe have to do to be a finished product?

"Stop his fouls that are careless," Lynnam said. "He misses a rebound, then he reaches back and tries to strip (the ball from the opponent). The other thing is more mental. Barkley, Dr. J. They all have their way of getting themselves ready to play, to do it again. To do it again!"

Lynnam repeated, louder. He wants Gheorghe fired up for every game.

Gheorghe looked alternately pleased and concerned when asked to assess his ability, as he finished his chicken. He looked happy because he loves to shoot and score; it's defense he must work on. "I play real hard defense," he stressed. "I do not like other team in my basket. Sometime I do stupid foul."

But his salary reflects his improvement. He received \$150,000 his rookie season, but now he's in the second year of a four-year, \$5.4 million contract. Except for occasional spears on clothing, he's very careful with his money.

One day he visited the National Zoo. "The moment Gheorghe showed up the bear retreated into his hole," said Calinescu. We tried it a few times. Every time Gheorghe showed up, the bear retreated."

Gheorghe shoots pool in his basement and reads Romanian novels, especially detective stories.

"I like to stay home with Liliana," he said.

She is happy in America. "People smile all the time," she said. "So I like this." "It is O.K. for now," Gheorghe said.

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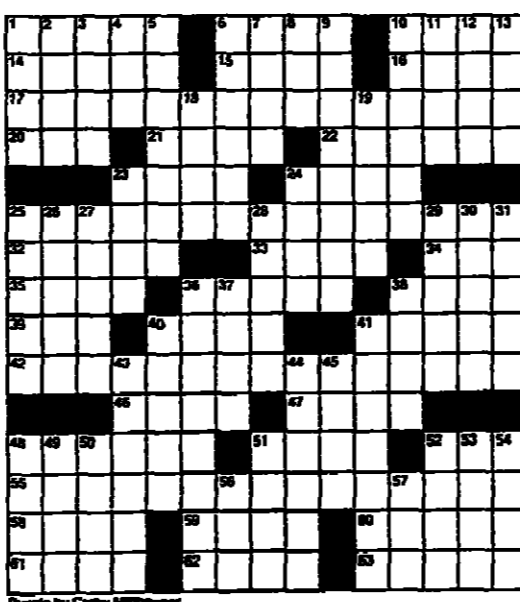
31 Swindle, slangily
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47 Fritz! to Nancy
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Solution to Puzzle of Dec. 27

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Richardson Attacks and Puts England on Defensive

Reuters
England limped to 40 for one wicket in reply to South Africa's 428 all out on the second day of the fourth test in Port Elizabeth, South Africa.

The paceman Shaun Pollock made an early breakthrough when Alec Stewart wobbled late in his second ball to give Dave Richardson a simple catch be-

hind the stumps. However, Michael Atherton and Jason Gallian survived to the close despite seven overs of dangerous spin bowling from Paul Adams, an 18-year-old making his debut.

Richardson earlier scored an aggressive 84 after South Africa resumed in the morning on 230 for four. England dropped five

catches to allow South Africa to build up a large total.

In Melbourne, meanwhile, Australia extended its overnight 234 for three to 500 for six declared — Steve Waugh hitting an unbeaten 131 — and Sri Lanka was 29 for one at the close.

Sri Lanka's off-spinner, Muralitharan, who had been no-balled seven times for throw-

ing the ball on Tuesday by the Australian umpire Darrell Hair, bowled 20 overs on the second day without being no-balled.

Muralitharan bowled only from the end where Steve Dunne, of New Zealand, was umpiring.

Hair looked on silently from square leg, the position from which an umpire usually calls a bowler for throwing.

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(Continued From Page 7)

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SPORTS

Home Is Where
Detroit and N.Y.
Shine on the Ice

The Associated Press
Home losses to the Ottawa Senators, the worst team in the National Hockey League for four years running, have inspired the New York Rangers and Detroit Red Wings to lengthy successful streaks at home and shares of the league's points lead.

Detroit's coach, Scotty Bowman, tied the NHL record for most games coached as his

NHL ROUNDUP

Red Wings overcame an early two-goal deficit Tuesday night to win their 11th straight game at Joe Louis Arena, 3-2, over St. Louis.

In New York, the Rangers extended their home unbeaten streak to 17 as two goals by Pat Verbeek and Mark Messier led New York to a 6-4 victory over the Senators.

Both teams' last loss at home came against Ottawa, which fell to 7-26-11 this season. Each has 52 points, tied with Florida for the league lead.

After Bowman's 1,606th game as an NHL coach, tying him with Al Arbour over the career list for games coached, he seemed unimpressed with his own accomplishment.

"It's just another game," he said after Dino Ciccarelli's goal with 7:12 remaining provided the winning margin.

Rangers 6, Senators 4 New York improved to 14-0-3 in its last 17 games at Madison Square Garden since losing to Ottawa on Oct. 22.

The home unbeaten streak is the longest current streak in the NHL and the fifth-longest in franchise history. The team record is 24, set in 1971-72.

"It was like a case of David and Goliath," the Senators' coach, Dave Allison, said.

Rangers coach by Sergei Nemchinov and Messier in the third period put the game away after Lance Pitlick tied it at 4-4 four minutes into the third period.

Penguins 6, Sabres 3 In Pittsburgh, Mario



Washington's Brendan Witt, left, taking the brunt of a collision with Montreal's Patrice Brisbois. The Capitals won, 4-0.

Lemieux and Jaromir Jagr remained tied for the league's goal-scoring lead as each scored his 30th and the Penguins took a 6-1 lead into the third period.

Jagr did gain ground on Lemieux in the scoring race by adding three assists to Lemieux's one, and his 72 points trail only Lemieux's 78.

Islanders 3, Bruins 3 Boston's rally from a three-goal deficit in the third period was capped when the Bruins defenseman Ray Bourque picked off an errant clearing pass

and scored with 3:40 remaining in regulation at New York.

Capitals 4, Canadiens 0 Jim Carey stopped 20 shots for his sixth career shutout, and host Washington broke the game open with three goals in a 2-21 span of the third period.

Blackhawks 5, Stars 3 Dallas remained winless against Central Division teams this season after Murray Craven deflected Eric Daze's long shot past Darcy Wakulak to break a tie with 3:59 to play at Chicago.

Flames 4, Canucks 2 Calgary's defenseman Jamie Huscroft, who entered the season with two goals in 135 NHL games, bounced in a shot from the point at 13:14 of the third period to break a 2-2 tie in Vancouver. It was his second of the season.

Avalanche 5, Sharks 1 Colorado, leading the Pacific Division by 13 points, took a 2-0 lead just 1:39 into the game at San Jose. Alexei Gusarov scored on a slap shot from near center ice after 31 seconds. Just 1:08 later, Scott Young scored to make it 2-0.

Bulls Lose in Cleveland,
To End December Streak

The Associated Press
After a month, the Chicago Bulls finally lost their third game of the season.

The Indiana Pacers' 103-97 victory at home Tuesday night was the Bulls' first loss since Nov. 26 at Seattle. The teams meet again Friday night at the United Center, where Chicago is undefeated this season.

"We can start another (winning) streak. We've got a couple of days to practice and get back on track for Friday," said Michael Jordan, who matched his scoring average

of 30 points but missed 17 of 28 shots. Indiana opened a 21-point lead after one quarter and a 24-point lead in the second period, then held off Chicago's comeback in the fourth.

"This was the best first half we ever had. This was a very big win for us," said Rik Smits, who led the Pacers with 26 points.

The loss left Chicago one victory short of matching the longest winning streak — 14 — in franchise history and prevented it from going undefeated in a calendar month for the first time. Still, the Bulls' 23-3 record leaves them on pace for a record of 75-9 or 74-10.

Either would be the best in National Basketball Association history.

Kings 118, Spurs 96 In Sacramento, the second-longest winning streak in the league also came to an end. Walt Williams scored 20 of his 25 points in the second half, helping Sacramento snap San Antonio's six-game winning streak. Mitch Richmond led all scorers with 31 points.

Williams, wearing a mask after missing the previous three games with a broken nose, connected on a three-point early in the third period to put the Kings ahead 58-54 and stayed hot after that.

Nuggets 114, Mavericks 102 In Denver, the Nuggets extended Dallas' losing streak to six games as Dale Ellis scored a season-high 30 points.

"When I hit the first one, I knew I was in for a good night. I wanted to take every shot

that was available to me. I put up some that even I was surprised went in. Once you get in a groove, it's hard to miss," Ellis said.

Jazz 114, Trail Blazers 104 In Salt Lake City, Utah, the Jazz also extended Portland's losing streak to six games, the Blazers' longest since 1991.

The Blazers used single coverage on Karl Malone. He responded with 47 points, eight rebounds, five assists and three steals.

"I was surprised not to see more double-teams," said Malone. "They felt they could play me one-on-one, which was a great challenge."

Pacers 103, Grizzlies 94 In Houston, the defending champions had a hard time shaking free of the worst team in the league.

"We were close," said Eric Murdock, who led the Grizzlies with 16 points. "We tried to hang tough with the world champions. We want to hang in there each night, and anything can happen. That's our goal, to hang around until the fourth quarter."

Heat 96, Nets 93 In Miami, Pat Riley's team avoided falling to .500 for the first time this season by winning for only the second victory in nine games — both against New Jersey.

Lakers 102, Celtics 91 Eddie Jones scored six of his 19 points in a game-ending 13-6 run that secured the victory for Los Angeles over visiting Boston.

Pistons 100, Warriors 90 In Auburn Hills, Michigan, Otis Thorpe had 26 points and 11 rebounds to lead Detroit to its fourth victory in five games. Joe Smith, a Golden State rookie, left the game with 3:58 left in the third quarter after losing his balance on a rebound and landing hard on his right hip.

Hawks 94, Clippers 88 In Atlanta, Steve Smith scored 22 points, Mookie Blaylock had 13 points, eight assists and four steals and Ken Norman added 20 points for the Hawks.

Raptors 93, Bucks 87 In Hamilton, Ontario, the Toronto rookie Damon Stoudamire had 21 points and 11 assists. The game, played at Copps Coliseum, drew a sellout crowd of 17,242.

SCOREBOARD

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

Team	W	L	Pct	GB
New York	17	6	.739	0
Orlando	14	12	.538	3
Boston	12	12	.500	5
Washington	12	13	.480	6
New Jersey	10	15	.400	10
Philadelphia	9	16	.360	11

CENTRAL DIVISION

Team	W	L	Pct	GB
Chicago	22	3	.885	0
Indiana	14	11	.560	8
Cleveland	12	12	.500	9
Atlanta	12	13	.500	10
Charlotte	12	14	.461	11
Detroit	12	14	.461	11
Memphis	10	16	.385	13
Toronto	9	20	.308	15

WESTERN CONFERENCE

NORTHWEST DIVISION

Team	W	L	Pct	GB
Houston	20	8	.714	0
San Antonio	17	12	.588	3
Utah	16	9	.640	4
Los Angeles	12	14	.462	8
Portland	12	14	.462	8
Phoenix	12	14	.462	8
Golden State	10	16	.385	10
Seattle	10	17	.370	11

PACIFIC DIVISION

Team	W	L	Pct	GB
San Jose	16	9	.640	0
Sacramento	16	9	.640	0
L.A. Lakers	16	13	.556	3
Phoenix	11	13	.458	8
Portland	11	13	.458	8
Golden State	10	16	.385	10
L.A. Clippers	10	17	.370	11

TODAY'S RESULTS

Time	Home	Visitor	Score
7:00 P.M.	San Jose	Golden State	101-95
7:00 P.M.	Portland	Phoenix	101-95
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HOCKEY

NHL STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

Team	W	L	Pct	GB
New York	17	6	.739	0
Orlando	14	12	.538	3
Boston	12	12	.500	5
Washington	12	13	.480	6
New Jersey	10	15	.400	10
Philadelphia	9	16	.360	11

CENTRAL DIVISION

Team	W	L	Pct	GB
Chicago	22	3	.885	0
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Cleveland	12	12	.500	9
Atlanta	12	13	.500	10
Charlotte	12	14	.461	11
Detroit	12	14	.461	11
Memphis	10	16	.385	13
Toronto	9	20	.308	15

WESTERN CONFERENCE

NORTHWEST DIVISION

Warrior 49 (Bohannon 16),	W L T P
Warrior 67, Assistants—Vancouver	25 7 2
Bohannon 28 (Harris 41).	18 11 6

ART BUCHWALD

Failing Memories

WASHINGTON — The darkest secret in the lives of Americans is that their memories are failing. It's not just an age problem — it's something every person, regardless of advancing years, has dealt with. We all live in fear that someone else will find out about us, when in fact that someone can't remember anything, either.

I discovered this accidentally at a recent dinner party in Georgetown.

I blurted out, "I don't seem to be able to remember anything any more. Whenever I think of something, I search for a pen to write it down, and by the time I find it I have forgotten what it was I wanted to remind

myself to do. Has anybody seen my spoon?"

Mike Bernstein said, "It must be the water. I'm to the point where I can't remember my wife's name."

"So?" I asked.

"I call her Elizabeth when her name is ... Damn, I forgot again."

I realized that I had opened a can of worms.

Everybody at the table admitted that he or she was losing it. Until now they also thought they were the only ones with the problem.

Rosemary Briggs said, "I took my grandchild to Safeway the other day and forgot she was with me. Her mother was furious, particularly when I tried to explain that it was not my fault. I had forgotten where I left my grocery cart."

Audrey Scott said, "I don't have trouble with people. My main problem is I never remember where I parked my car."

Vermeer Gets Encore Despite Budget Crisis

WASHINGTON — The exhibit of Johannes Vermeer paintings at the National Gallery of Art has reopened, using money from a private fund to open despite the government budget crisis.

The gallery is the second major facility to get a temporary reprieve from the shutdown of government departments due to lack of appropriations from Congress. The Smithsonian's Museum of American History also found enough funds to operate this week.

"We are able to open the Vermeer exhibition, which is a very rare event in the annals of art history," said Deborah Ziska, a spokeswoman for the National Gallery.

No one is certain why people are getting like this.

Helen Gelhard said that she read an article that viruses from computers were getting into people's brains and causing memory loss.

Rosemary Sarsfield said that our brains had become overloaded. She confided that she finds it impossible to recall when is the best time to eat oysters, or when to attend her daughter's Communion, or if both occasions have an "r" in them.

I remarked that this all sounded like material for a column. But by the time I reached my desk the next morning, I had to call up Liz Stevens to find out what our dinner conversation had been about.

She promised that she would call me back.

A Generation Gap Among Chinese Filmmakers

By Joan Dupont
International Herald Tribune

PARIS — Jiang Wen has been on the town, "up till 4 A.M. with friends from Beijing, talking about all these problems." Placing his pack of Marlboros opposite the matchbook on the table, he maps out his world view: "Over here, you have China, and over there, the West."

A popular actor, Wen, 32, has been nicknamed the Chinese Dario Argento, certainly as much for his bombastic, commanding style as his screen talents. He won attention in Zhang Yimou's "Red Sorghum" and stardom in a TV series called "A Pekingese in New York." He has just presented his first film as director, "In the Heat of the Sun," to a packed house during a Chinese film festival in Paris.

A bulky figure who barks exclamations to hectic body language, Wen sports mean-looking

Wen portrays the Cultural Revolution as a dawning of liberty and self-expression.

whiskers, an Irish tweed cap, a Ralph Lauren turtleneck and blood-red socks. Back from shooting in Mongolia, his pate is shaved, which makes him look like a hungry ogre, or his current incarnation as the first emperor of China.

"Last night, we ate French," he explains, "because Chinese restaurants abroad are fake, like Chinese films." He thumps his heart with his fist. "I'm not an official director. I made my movie from here, because I had something to say, not to win prizes. But some filmmakers want recognition, and the West wants to show compassion and understanding for China — those poor Chinese!"

"In the Heat of the Sun," adapted from a novel by Wang Shuo, is a midsummer sex comedy about teenagers under the Cultural Revolution, strikingly different from state history sagas by Fifth Generation directors like Zhang and Chen Kaige.

In Wen's movie there is a dash of Beeson and Bontalucci, and he portrays the period as a dawning of liberty and self-expression.

"I was born in '63, and only 10, but I understood what was happening. That period opened our eyes — communism created a new generation, my generation, and the Cultural Revolution brought a breath of idealism. Directors born in the '50s make movies from a

political point of view, criticizing or praising the regime; they have no real personality. ... "In the Heat of the Sun" brings with it comic-clash humor — party-line propaganda is put down, parents and teachers are out, love and sex are in, kids triumph. Kinetic zest comes from the director's roller-coaster tempo, and his young actors.

"Choosing the actors is 50 percent of a director's job. I've been an actor for nine years, so I know how to talk to actors. I took five months to find them, and then, I shut them up in military barracks for a month of basic training. I wanted them to read books about the period, dress, talk and walk like kids in the '70s. Just like Westerners, they had mistaken ideas about the Revolution, they said 'Why make a movie about the Red Guards and all that? It's not interesting.'"

Making a movie that explodes tenets about that painful time may be asking for trouble, the director concedes. "The censors were embarrassed; they didn't know how to look at my movie because it was new and dangerous, even the title scared them — the Cultural Revolution is not considered a very sunny period. They wanted cuts, and a year later, after more cuts, they released it."

One of the parts that was cut was his own, playing Monkey as a grown man. Like his young hero, the director was a rambunctious adolescent. "Nobody knew what to do with me and so they said, maybe the theater?" After high school, he auditioned for the Beijing Drama Institute. His younger brother, also an actor, studied at the cinema school and played in Zhang's "To Live." "We have very different ideas," he says. His father is a military man, "very ordinary," and his mother, a professor, is a big strong woman — "My father is scared of her! That's where I get my strength."

His mother's father, a landowner, lost everything under the Cultural Revolution. "It was hard on him, and afterward, nobody made excuses. But my grandfather's story didn't influence me. There was injustice on both sides, and after everybody said they were persecuted, nobody wanted to say they persecuted others. When you have power, power corrupts. In China, the professors had enormous power; the students rebelled."

This is the story he became a filmmaker to tell. He read Edgar Snow's 1937 "Red Star Over China" — "a book that taught me a lot. I read history for inspiration because I can't get everything from my imagination. I need the concrete," and was impressed by documentaries by Antonioni, a director who is usually admired



Jiang Wen, in striped shirt, during the shooting of "In the Heat of the Sun."

for fiction rather than for reportage. "His documentaries were more realistic than the Chinese films: You could hear the voices of the students! They believed they were changing the course of history; they had an ideal. Not like young people today who are a little tired."

Wen is identified with the Sixth Generation of Chinese filmmakers, but he calls this a convenient label. "A film is an oeuvre, and you have to judge the work, not the generation. A lot of directors are looking for a helping hand from the West. I'd love to make a movie showing how the Chinese defeat the West and how Westerners lap up this fake idea of China. What do you think? Don't you think I exaggerate a bit?"

Of course, he points out, communism came from the West. "That's why I use Western music, from Mascagni's 'Cavalleria Rusticana' to the Internationale. Some people thought that was odd, but it's normal — the Internationale is a French song."

"In the Heat of the Sun" had a big budget by Chinese standards — more than \$1 million —

which entailed a vast co-production, with funding from Taiwan and Hong Kong, and help from France and Germany. The French producer Jean-Louis Piel took 12 minutes of rushes to the Cannes festival and showed them to Volker Schlöndorff, director of the Babelsberg Studios, who invited Wen to edit in Berlin.

The film has been a hit at home and abroad, but the director doesn't picture working in other countries; nor does he think his success will mean more freedom to make another film. "Perhaps things were freer in the '70s, because the system was overthrown. The Cultural Revolution was a love story between Mao and Chinese youth. To me, Mao was not a god, but a great poet, he created an oeuvre."

Today, there may be the risk of another revolution, Wen thinks, "because there are big new hotels and karaoke bars, but no real improvement for the working classes and peasants. Mao said that Communist intellectuals were pagans, and I'm not afraid to say what I think. It may mean problems, but that's the way I am."

WEATHER

Forecast for Friday through Sunday, as provided by Accu-Weather.

Europe	Today	High	Low	Tomorrow	High	Low
Algeria	16/8	12/5	10/4	15/6	12/5	10/4
Andorra	16/8	12/5	10/4	15/6	12/5	10/4
Armenia	16/8	12/5	10/4	15/6	12/5	10/4
Austria	16/8	12/5	10/4	15/6	12/5	10/4
Belarus	16/8	12/5	10/4	15/6	12/5	10/4
Belgium	16/8	12/5	10/4	15/6	12/5	10/4
Bulgaria	16/8	12/5	10/4	15/6	12/5	10/4
Croatia	16/8	12/5	10/4	15/6	12/5	10/4
Czech Rep.	16/8	12/5	10/4	15/6	12/5	10/4
Denmark	16/8	12/5	10/4	15/6	12/5	10/4
Estonia	16/8	12/5	10/4	15/6	12/5	10/4
Finland	16/8	12/5	10/4	15/6	12/5	10/4
France	16/8	12/5	10/4	15/6	12/5	10/4
Germany	16/8	12/5	10/4	15/6	12/5	10/4
Greece	16/8	12/5	10/4	15/6	12/5	10/4
Hungary	16/8	12/5	10/4	15/6	12/5	10/4
Ireland	16/8	12/5	10/4	15/6	12/5	10/4
Italy	16/8	12/5	10/4	15/6	12/5	10/4
Japan	16/8	12/5	10/4	15/6	12/5	10/4
Korea	16/8	12/5	10/4	15/6	12/5	10/4
Latvia	16/8	12/5	10/4	15/6	12/5	10/4
Lithuania	16/8	12/5	10/4	15/6	12/5	10/4
Malta	16/8	12/5	10/4	15/6	12/5	10/4
Netherlands	16/8	12/5	10/4	15/6	12/5	10/4
Norway	16/8	12/5	10/4	15/6	12/5	10/4
Poland	16/8	12/5	10/4	15/6	12/5	10/4
Portugal	16/8	12/5	10/4	15/6	12/5	10/4
Romania	16/8	12/5	10/4	15/6	12/5	10/4
Russia	16/8	12/5	10/4	15/6	12/5	10/4
Slovakia	16/8	12/5	10/4	15/6	12/5	10/4
Slovenia	16/8	12/5	10/4	15/6	12/5	10/4
Spain	16/8	12/5	10/4	15/6	12/5	10/4
Sweden	16/8	12/5	10/4	15/6	12/5	10/4
Switzerland	16/8	12/5	10/4	15/6	12/5	10/4
Taiwan	16/8	12/5	10/4	15/6	12/5	10/4
Tanzania	16/8	12/5	10/4	15/6	12/5	10/4
Turkey	16/8	12/5	10/4	15/6	12/5	10/4
Ukraine	16/8	12/5	10/4	15/6	12/5	10/4
United Kingdom	16/8	12/5	10/4	15/6	12/5	10/4
USA	16/8	12/5	10/4	15/6	12/5	10/4
Vietnam	16/8	12/5	10/4	15/6	12/5	10/4
Yugoslavia	16/8	12/5	10/4	15/6	12/5	10/4

Seasonably cold Friday through Sunday from Washington, D.C. to New York City with some sunshine each day. Rainy this weekend in Houston and New Orleans; some of the rain could be heavy. Sunny, warm weather Saturday and Sunday in Los Angeles.

Asia	Today	High	Low	Tomorrow	High	Low
Bangkok	28/22	17/22	10/22	28/22	17/22	10/22
Beijing	22/22	11/13	5/13	22/22	11/13	5/13
Hong Kong	22/22	11/13	5/13	22/22	11/13	5/13
Manila	22/22	11/13	5/13	22/22	11/13	5/13
Shanghai	22/22	11/13	5/13	22/22	11/13	5/13
Singapore	22/22	11/13	5/13	22/22	11/13	5/13
Taipei	22/22	11/13	5/13	22/22	11/13	5/13
Tokyo	22/22	11/13	5/13	22/22	11/13	5/13
Yokohama	22/22	11/13	5/13	22/22	11/13	5/13

WEEKEND SKI REPORT

Resort	Depth	Mts.	Res.	Snow Last	Comments
Alpe d'Huez	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Avoriaz	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Courchevel	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Les Deux Alpes	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Méribel	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
La Plagne	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Tignes	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Val d'Isère	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Val Thorens	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing

Resort	Depth	Mts.	Res.	Snow Last	Comments
Cervinia	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Corviglia	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Courmayeur	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing
Livigno	30	100	Good	Open	Ver 25/12 44 mts open, enjoyable skiing

Key: L=Depth in cm on snow and open slopes. Mts. = Meters. Res. = Reservations. Snow Last = Last snowfall. Comments = Comments.

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PEOPLE

AFTER a home-alone Christmas without her sons, Princess Diana slipped out of Britain for a Caribbean vacation, the news agency at London's Heathrow Airport reported. Booked under a false name, Diana boarded a scheduled British West Indies Airlines plane bound for Antigua. She was accompanied by an unidentified female companion, Air News reported. She had spent Christmas Day watching television at home on her own, newspapers reported. To cheer herself up the next day, she visited Susie Orbach, her health therapist. The rest of the royal family, including her estranged husband, Prince Charles, and her sons, Prince William and Prince Harry, were at Queen Elizabeth's Sandringham estate in eastern England for Christmas.

A bizarre 1970 White House encounter between Richard Nixon and Elvis Presley to discuss the war on drugs has become the subject of a book — and it is 61 pages long. "The Day Elvis Met Nixon" was written by Egil Krogh, the presidential aide who served a six-month prison term for his role in the Watergate scandal. He was most surprised by the big hug Elvis gave the president as he left the Oval Office. "I thought to myself, this is the last meeting they let me schedule, because you don't hug Nixon," he said. ... The Reverend Billy Graham says he won't see Oliver Stone's "Nixon," the movie about his friends Richard and Pat Nixon. He wants to remember them "as they really were." In a news release he said that "I was with the Nixons in both the peaks and valleys of their lives. The Richard and Pat Nixon that I knew served their country with dedication and distinction for over half a century." Graham used to visit the Nixons at the White House and he spoke at their funerals.

Tonya Harding's wedding went off without a hitch, but the aftermath has been anything but a honeymoon. After an amateur photographer at the Olympic skater's wedding to Michael Smith said a picture of the newlyweds to the Oregonian for \$100, Harding complained that the picture invaded her \$10,000 contract with the Globe. The amateur photographer, who was identified by The Oregonian only as Bob, a 26-year-old who was a guest of a relative of a bridesmaid, said that he left



HOLIDAY MAGIC IN MOSCOW — Nadezhda Grachova and Alexander Uvarov dance in the Bolshoi Ballet's premiere of "Romeo and Juliet."

after Harding yelled profanities and that Smith jumped onto Bob's girlfriend's car. Smith said the car hit him. Harding gave chase in her car and at one point his car was rammed, Bob said. Harding said the fracas is "a remembrance I don't want to have of my wedding."

Former President François Mitterrand of France, ailing from prostate cancer, has been sightseeing in southern Egypt, residents reported. Mitterrand, 79, arrived in Aswan on Sunday to spend Christmas and the New Year, as he has done for several years.

Bill and Hillary Rodham Clinton missed their daughter Chelsea's last per-

formance in "The Nutcracker" ballet to babysit their six-month-old nephew Zachary Rodham. Zachary's parents are Tony Rodham, Mrs. Clinton's brother, and Nicole Boxer Rodham, daughter of Senator Barbara Boxer of California. Chelsea, 15, has danced with the Washington School of Ballet in the annual Nutcracker holiday production for several years.

Hank Williams Jr. is among the big stars on the bill at the 20th annual jamboree in the Hills, called "The Super Bowl of Country Music." Also scheduled to perform at the four-day festival in Johnson City, Tenn., are Merle Haggard, the Oak Ridge Boys, Tanya Tucker and Mary Chapin Carpenter.

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Hungary	00-36-1
Ireland	00-353-1
Italy	00-39-1
Japan	00-81-1
Netherlands	00-31-1
Norway	00-47-1
Poland	00-48-1
Portugal	00-351-1
Romania	00-40-1
Russia	00-7-1
Slovakia	00-421-1
Spain	00-34-1
Sweden	00-46-1
Switzerland	00-41-1
Taiwan	00-886-1
Tanzania	00-255-1
Turkey	00-90-1
Ukraine	00-380-1
United Kingdom	00-44-1
USA	00-1-1
Vietnam	00-84-1
Yugoslavia	00-381-1

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Egypt	00-20-1
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Kuwait	00-965-1
Lebanon	00-961-1
Oman	00-968-1
Qatar	00-974-1
Saudi Arabia	00-966-1
Syria	00-963-1
U.A.E. Emirates	00-971-1
Yemen	00-967-1

AMERICAS	Access Number
Argentina	00-54-1
Bolivia	00-591-1
Brazil	00-55-1
Canada	00-1-1
Chile	00-56-1
Colombia	00-57-1
Ecuador	00-593-1
El Salvador	00-503-1
Guatemala	00-502-1
Honduras	00-504-1
Mexico	00-52-1
Nicaragua	00-505-1
Panama	00-507-1
Paraguay	00-595-1
Peru	00-51-1
Venezuela	00-58-1